

6/19/78 [1]

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WITHDRAWAL SHEET (PRESIDENTIAL LIBRARIES)

FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
Memo	Frank Press to Pres. Carter, 2 pp., re: Science & Technology Delegation to China <i>opened per RAC NLC-126-13-7-1-9, 4/29/13</i>	n.d.	A
Cabinet Summaries	Andrew Young to Pres. Carter, 1 pg., re: UN activities <i>opened per RAC NLC-126-13-7-2-8, 4/29/13</i>	6/16/78	A
Memo	Frank Moore to Pres. Carter, w/attachments 20 pp., re: Weekly Legislative Reports <i>OPENED 3/22/00</i>	6/17/78	A

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THE PRESIDENT'S SCHEDULE

Sunday - June 18, 1978

9:50 Depart South Grounds via Motorcade en route
The First Baptist Church.

10:00 Sunday School.

11:00 Morning Worship Service.

FYI

5:00 Jazz Festival - The South Grounds.

THE PRESIDENT'S SCHEDULE

Monday - June 19, 1978

7:45 Dr. Zbigniew Brzezinski - The Oval Office.

8:15 Mr. Frank Moore - The Oval Office.

9:00 Meeting of the Cabinet. (Mr. Jack Watson).
(2 hrs.) The Cabinet Room.

11:00 Mr. Jody Powell - The Oval Office.

12:00 Lunch with Vice President Walter F. Mondale.
The Oval Office.

1:15 Announcement on Emergency Preparedness Reorganization.
(10 min.) White House Press Briefing Room.

THE WHITE HOUSE
WASHINGTON

June 19, 1978

Hamilton Jordan
Tim Kraft
Frank Moore
Anne Wexler
Joe Aragon
Landon Butler
Jim Gammill
Dick Moe
Jerry Rafshoon
Phil Wise

The attached was returned in the
President's outbox today and is
forwarded to you for your informa-
tion.

Rick Hutcheson

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<input checked="" type="checkbox"/>	FROM PRESIDENT'S OUTBOX
<input type="checkbox"/>	LOG IN/TO PRESIDENT TODAY
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*Path -
Keep this
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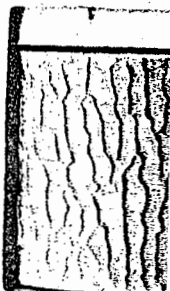
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FYI

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<input type="checkbox"/>	VICE PRESIDENT
<input type="checkbox"/>	EIZENSTAT
<input checked="" type="checkbox"/>	JORDAN
<input checked="" type="checkbox"/>	KRAFT
<input type="checkbox"/>	LIPSHUTZ
<input checked="" type="checkbox"/>	MOORE
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<input type="checkbox"/>	SCHULTZE

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<input type="checkbox"/>	STRAUSS
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<input checked="" type="checkbox"/>	BUTLER
<input type="checkbox"/>	H. CARTER
<input type="checkbox"/>	CLOUGH
<input type="checkbox"/>	COSTANZA
<input type="checkbox"/>	CRUIKSHANK
<input type="checkbox"/>	FALLOWS
<input type="checkbox"/>	FIRST LADY
<input checked="" type="checkbox"/>	GAMMILL
<input type="checkbox"/>	HARDEN
<input type="checkbox"/>	HUTCHESON
<input type="checkbox"/>	JAGODA
<input type="checkbox"/>	LINDER
<input type="checkbox"/>	MITCHELL
<input checked="" type="checkbox"/>	MOE
<input type="checkbox"/>	PETERSON
<input type="checkbox"/>	PETTIGREW
<input type="checkbox"/>	PRESS
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<input type="checkbox"/>	SCHNEIDERS
<input type="checkbox"/>	VOORDE
<input type="checkbox"/>	WARREN
<input checked="" type="checkbox"/>	WISE

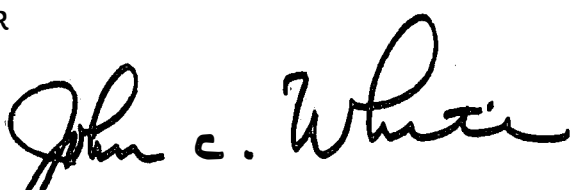


DEMOCRATIC

NATIONAL COMMITTEE 1625 Massachusetts Ave., N.W. Washington, D.C. 20036 (202) 797-5900

John C. White
Chairman

MEMORANDUM
June 15, 1978

TO: PRESIDENT CARTER
THROUGH: RICK HUTCHESON
FROM: JOHN C. WHITE 
RE: WEEKLY STATUS REPORT ON DNC OPERATIONS

DNC MEETING

The Executive Committee and the full DNC met last Thursday and Friday passing the Winograd Commission Report with our recommended amendments. The DNC staff and your staff, under the leadership of Tim Kraft, worked closely in achieving these results.

MID-WEST TRIP

Evan Dobelle and I made a two day swing to St. Louis, Chicago, and Cleveland to discuss Party affairs and future fund raising activities.

MID-TERM CONFERENCE

The Program and Agenda Committee for the Mid-Term Conference met on Friday and adopted the proposed schedule for the Convention. We are hopeful that your schedule will permit you to attend our opening session on Friday evening, December 8th. The basic theme for the evening will be the accomplishments of the Democratic Partnership during the last two years, with major addresses by Congressional and Administration leaders.

CAMPAIGN SERVICES

Our staff is continuing to meet with an ever increasing number of Democratic candidates from across the nation and providing counsel on various aspects of their races.

THE WHITE HOUSE
WASHINGTON

June 19, 1978

FOR THE RECORD:

The attached was given to Bill Cable this morning. The DPS staff was given a cc.

THE WHITE HOUSE
WASHINGTON

RICK:

Please notify Bill Cable when
the letter to Rodino is signed.
He will take it to the Hill.

Thanx,

Joanne

17 Jun 78

THE WHITE HOUSE

WASHINGTON

June 17, 1978

M MORANDUM FOR:

THE PRESIDENT

FROM:

STU EIZENSTAT *Stu*
ESTHER PETERSON *EP*

SUBJECT:

Letter to Chairman Rodino on Illinois
Brick Legislation

We are soliciting your help with legislation to overturn the Illinois Brick case and ask that you send the attached letter to Chairman Rodino.

On Tuesday, the House Judiciary Committee will be marking up legislation to overturn the Supreme Court's decision in the Illinois Brick case. The effect of this decision is to limit private enforcement of the antitrust laws by prohibiting those who did not purchase directly from an antitrust violator (i.e., those who purchase through middlemen) to recover for damages for the anticompetitive behavior. In many circumstances, the anticompetitive behavior would go unpunished since the direct purchaser may not be inclined to bring suit because he passed on the overcharges through the chain of distribution or he may not want to jeopardize an important commercial relationship.

Several weakening amendments will be offered in Committee. Congressman Flowers will offer an amendment to limit the bill to parens patriae cases where state Attorneys General bring an action on behalf of consumers in the state. Another amendment being offered by Congressman Mazzoli would limit the bill to circumstances where the federal or state governments are suing on their own behalf as indirect purchasers. Both of these amendments would severely limit the remedial effect of the legislation by leaving businesses and consumers without an effective means to recover for losses resulting from anti-competitive practices.

The major opponents of the legislation and proponents of the limiting amendments are big business interests represented by the Business Roundtable. The Justice Department, through Assistant Attorney General Shenefield, has worked hard to support a strong bill. Other major proponents of the bill include Chairman Rodino, Senator Kennedy, the National Association of Attorneys General, consumer groups, some small business groups, farm groups, and unions.

We anticipate a close vote in Committee. The Senate Judiciary Committee reported the bill 9-5.

Frank Moore's staff concurs with this recommendation.
Attachment

THE WHITE HOUSE

WASHINGTON

June 19, 1978

To Chairman Peter Rodino:

orig given to his former law clerk

I urge the House Judiciary Committee to report H.R. 11942, legislation approved by your Subcommittee to overturn the Supreme Court's decision in the Illinois Brick case. Vigorous enforcement of the antitrust laws is a cornerstone of this Administration's economic policies. By prohibiting indirect purchasers from recovering damages in antitrust cases, federal, state, and local governments, as well as businesses and individuals who purchase items through middlemen, would be precluded from bringing antitrust actions. As a result, anticompetitive behavior may go unpunished in those instances where direct purchasers have passed on overcharges or otherwise have little motivation to bring an action.

Amendments to limit H.R. 11942 to parens patriae suits and suits by federal and state governments as indirect purchasers would seriously undermine the remedial effects of the legislation. Private enforcement of the antitrust laws in the past has been an important supplement to government enforcement activities. Most states do not possess adequate resources to carry the burden of prosecuting antitrust violations on behalf of all of its citizens. Further, small businessmen in particular would be left without a means to seek redress for their losses since parens patriae actions are limited to those brought on behalf of individuals injured in their property.

Sincerely,

Jimmy Carter

The Honorable Peter W. Rodino, Jr.
Chairman, Judiciary Committee
U.S. House of Representatives
Washington, D.C. 20515

THE WHITE HOUSE
WASHINGTON

done
J

Mr. President;

Judge William "Bill" Jones passed away this morning at 6:00 A. M.

He was Probate Judge of Hall County, Georgia for 25 years.

The funeral is to be tomorrow, Monday, at 3:30 P. M. at:

Ward's Funeral Home
Gainesville, Georgia

The White House Operator has phone numbers where members of the family may be reached.

Thank you,

Nelson

8³⁵
PM

THE WHITE HOUSE
WASHINGTON

June 19, 1978

Anne Wexler

The attached was returned in
the President's outbox. It is
forwarded to you for your
information.

Rick Hutcheson

URBAN POLICY REPORT

THE WHITE HOUSE
WASHINGTON

June 16, 1978

Dear Mr. President,

Here is a copy of
the Stabius report on
urban policy we are
distributing at the U.S.
Conference of Mayors meeting
in Atlanta.

Preliminary reports indicate
it will be very well received.

Quinn

Good
J

THE WHITE HOUSE
WASHINGTON

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contact the Jimmy
Carter Library

A NEW PARTNERSHIP TO CONSERVE AMERICA'S COMMUNITIES

A STATUS REPORT ON
THE PRESIDENT'S URBAN POLICY

JUNE 1978



11:00 Am

~~CONFIDENTIAL~~

THE WHITE HOUSE
WASHINGTON

Q

MEMORANDUM TO: THE PRESIDENT
FROM : Frank Press *fp*
SUBJECT : Science and Technology Delegation to China

The Chinese have accepted with evident interest our proposal, made at your suggestion, that I lead a delegation of senior government science and technology officials. (Proposed delegation at Tab A.) This is the highest level delegation of S&T officials the US has ever sent abroad. During the visit, now scheduled for July 7-10, I will meet with China's top science personnel and members of the delegation will meet their counterparts. Our goals are to:

- o establish contacts between senior S&T officials of both governments
- o initiate cooperative projects of mutual benefit
- o offer to help China in developing its civil sector technology through commercial, university, and governmental cooperation
- o achieve at an appropriate future time a broad S&T agreement

We will propose cooperation in a number of specific areas, implementation of which would involve joint projects, exchange of data, coordinated R&D, and training programs:

- Satellite Cooperation (Landsat, Seasat, weather satellite, access to shuttle launch)
- Germ Plasma Exchange (plant materials used in genetic research)
- Biological Control of Agricultural Pests (Chinese potential to help us is high)
- Energy Resource Research (prospecting for coal, oil, gas, uranium, thorium, on-shore, off-shore)
- High Energy Physics (a high priority area for the Chinese, a field in which they need training and equipment)
- Earthquake Prediction (Chinese have a great need to predict and are technically strong)
- Molecular Biology/Recombinant DNA (An area of interest to the Chinese to develop new crop forms not requiring fertilization)
- Public Health (epidemiology of chronic disease, childhood immunization cancer)

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I am working with Zbig, Cy and the agencies in preparing for this trip.

Would you like to see me for a few minutes to provide final instructions?

DECLASSIFIED
 Per: Rac Project
 ESDN: NLC-126-13-7-19 Not necessary
 BY KS NARA DATE 7/18/13

Yes ☒

I do not want you to go as Santa Claus. Be

Sure exchanges are equitable & mutually beneficial - T

~~CONFIDENTIAL~~

TAB A
S&T DELEGATION

Frank Press	Science and Technology Adviser to the President
Robert Frosch	Administrator, NASA
Richard Atkinson	Director, NSF
John Deutch	Director, Office of Energy Research, DOE
Jordan Baruch	Assistant Secretary of Commerce for R&D
Rupert Cutler	Assistant Secretary of Agriculture for R&D
Henry Menard	Director, US Geological Survey
Ruth Davis	Deputy Undersecretary for Research, DOD..(tentative)
Don Frederickson	Director, NIH

(Plus several advisers from NSC, DOS and OSTP)

~~CONFIDENTIAL~~

TO: President Carter
THROUGH: Rick Hutcheson
FROM: Ambassador Young
SUBJECT: U.S. Mission to the U.N. Activities, June 7 - 14

June 16, 1978

C

UNITED NATIONS SPECIAL SESSION ON DISARMAMENT

The general debate in the United Nations Special Session on Disarmament concluded on the afternoon of June 9. Work is continuing on drafting of sections of the "final document" which includes an Introduction, Declaration, Program of Action and recommendations on disarmament machinery. Considerable progress has been made on the Introduction and Declaration but major issues remain concerning the Program of Action and Machinery. The mood has improved in the past week, and has been helped by the U.S. statement on negative security assurances. At the Ad Hoc Committee meeting June 9, Ambassador Young gave the U.S. statement on proposals for peaceful nuclear cooperation and on June 14 Paul Newman gave the U.S. statement on "Eyes and Ears for Peace."

SECURITY COUNCIL

Lebanon: As called for by the Security Council, Israeli forces had completely withdrawn from southern Lebanon on June 13. With the withdrawal of the Israeli forces the first part of the mandate entrusted to UNIFIL by the Security Council has been fulfilled. UNIFIL will continue to carry out the second part of its mandate, namely, to assist the Lebanese government in insuring the return of its authority in southern Lebanon.

Cyprus: The Security Council is meeting on consultations to extend the stationing of the United Nations Peacekeeping Force in Cyprus (UNFICYP). It is expected that UNFICYP will extend its mandate for another six months, ending December 15, 1978.

Namibia: Following June 10-11 Frontline Summit and June 12 briefing of the Five by Nyerere on its results, the Five briefed the South Africans on the Summit and prepared for the June 14 discussion of Namibia by the Western Five foreign ministers in Paris. The Contact Group is now in the process of making the preparations necessary to carry out the foreign ministers' decision that the Contact Group should travel as soon as possible to Luanda for a meeting with SWAPO President Sam Nujoma. Arrangements for the meeting are now being made, including informing the frontline of the decision and inviting SWAPO to participate, and barring any unforeseen circumstances, the Group plans to depart for Angola on Tuesday, June 20, and hopes to meet with Nujoma on Thursday, June 22.

AMBASSADOR YOUNG'S OTHER MEETINGS: Ambassador Nancy Ostrander (to Surinam) 6/8; Foreign Minister Jorge of Angola 6/8; George Hauser of the American Committee on Africa 6/9; Representatives of International Fellowship of Reconciliation 6/11; Ambassador Kaiser (Bangladesh) 6/13; Ambassador Casimiro Castro, Dominican Republic, 6/13; Amb. Kryza (to Mauritania) 6/13; Prof. Herskovits 6/13: PRESS: VOA interview with John Guerrini 6/11; Les Payne, Newsday 6/9; Arthur Gavshon, Sam Koo, Bill Oatis, Associated Press.

~~CONFIDENTIAL~~

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Per: Pac Project
ECN: C-126-13-7-2-8
BY: JCS NUGO DATE 4/18/13

THE WHITE HOUSE
WASHINGTON

6-19-78

To Andy Young

We need for you to
help us with Campaigns.

Please let Scott Burnett
have your weekly
schedule, & give us
maybe one day per
month -

Thanks -

Jimmy

THE WHITE HOUSE
WASHINGTON

6-19-78

To Andy Young

We need for you to
help us with Campaigns.

Please let Scott Burnett
have your weekly
schedule, & give us
maybe one day per
month -

Thanks -

Jimmy

bcc: Frank Moore

Scott Burnett

Letter was deleted
by NSC

THE WHITE HOUSE

WASHINGTON

June 14, 1978

MEMORANDUM FOR THE PRESIDENT

FROM:

FRANK MOORE

F.M./BR

SUBJECT:

AMBASSADOR YOUNG'S ROLE IN THE CAMPAIGN

Ambassador Young could be a great asset to our campaign scheduling effort. However, we have had great difficulty in getting cooperation from his office. I would appreciate it if you could write the Ambassador a note and ask him to do two things:

- 1) Have his scheduler send to Scott Burnett each Tuesday an updated version of his schedule so that we can make some time available to marginal candidates in states where he is already scheduled.
- 2) Ask his scheduler to provide us with an open day each month where we can make him available to candidates who have requested an appearance by him.

343

THE WHITE HOUSE
WASHINGTON

June 19, 1978

Frank Moore
Stu Eizenstat

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

CALL TO SEN. CRANSTON CONCERNING
RENEGOTIATION BOARD

THE WHITE HOUSE
WASHINGTON

June 17, 1978

*Frank & Stu - done -
no hope
with Allen
J*

MEMORANDUM FOR: THE PRESIDENT

FROM: STU EIZENSTAT *Stu*
FRANK MOORE *F.M. / Les Francis*

SUBJECT: Call to Senator Cranston Concerning
the Renegotiation Board

On June 12 you sent Senator Cranston a letter suggesting a compromise on the Renegotiation Board and indicating you would call him shortly. (Copy attached)

Senator Cranston has been a strong foe of the Renegotiation Board, and appears to hold the votes necessary to kill the Board in the Senate. Since he is dealing from a position of strength he may be very reluctant to consider a compromise. Points you may wish to make to change his mind:

- Further delay in clarifying the Board's status is adding to the uncertainty faced by defense contractors. These contractors are having to keep extensive records without knowing exactly what authority the Board may have in the future.
- If the Board is abolished the situation may become worse. Contractors supplying ships and aircraft would then become subject to the Vinson-Trammell Act, which would be administered by the IRS. A new bureaucracy and a new set of regulations could then affect them, with even tighter and more rigid profit limits. Suppliers of other products would be totally exempt from excess profit recovery, creating a situation that would be both unfair and potentially costly to the taxpayers.
- There is too little time remaining in this Congress to reconcile the wide divergence between our position and Senator Cranston's concerning the Renegotiation process. Rather than continuing to debate these issues, we propose a simple multi-year extension of the Board's authority, retroactive to 1976 when the

current authority expired. This would give time to strengthen the Board's membership, and provide a period for judging whether the Board can become an effective and fair administrator of the current law.

- As part of this simple extension we would be prepared to encourage the Board to review recent administrative rules promulgated by the Board that have aroused concern among contractors and in the Congress. (These involve application of renegotiation to sales of military equipment abroad and renegotiation based on segmented product lines.)
- If Senator Cranston is willing to discuss such a compromise further, we would like to send up Stu Eizenstat or Jim McIntyre to firm up the details.

Please note: In your conversation with Senator Cranston, he may touch on some other issues:

- Proposition 13: Senator Cranston believes you should meet with Howard Jarvis when he is in town this week. It is the opinion of Stu, Frank, Anne, Jerry and others that you should not meet with Jarvis nor should he meet with anyone in the White House.
- Veterans Preference: As you know, Cranston opposes us 100% on modifying veterans preference. Furthermore, he is a bit piqued that we have been working with women's groups in California in an effort to change his mind.
- EEOC/Civil Service Reform: Cranston supports a move by Ribicoff to negate provisions of the EEOC reorganization dealing with "mixed" cases (Federal employees facing adverse actions, but where discrimination may be involved); we are trying to work with Ribicoff and Javits to negotiate a compromise, but Cranston may want to push you a bit.

THE WHITE HOUSE

WASHINGTON

To Senator Alan Cranston

I am quite concerned with the continued delay in Congressional action to renew the authority of the Renegotiation Board. This delay has hampered the effectiveness of the Board, and unnecessarily added to the regulatory uncertainty faced by defense contractors.

I continue to believe that the Board's authority should be extended and strengthened. I recognize, however, that many in the Congress do not support all of the reforms I have previously endorsed. Rather than prolong the debate over these issues I propose that we work together to develop a simple extension of the Board's authority. After a period of operation under present rules we can reassess what changes may be appropriate in the Board's procedures and authorities.

I will be calling shortly to discuss this question with you. I hope that we can work together on this issue.

Sincerely,

Honorable Alan Cranston
United States Senate
Washington, D. C. 20510

3213

THE WHITE HOUSE
WASHINGTON

June 19, 1978

Jerry Rafshoon

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

ENERGY PROGRAM

THE WHITE HOUSE
WASHINGTON

Susan.....

From RSC. For the President
to read and send on to Jerry
Rafshoon.

madeline
6/19/78

May 16, 1978

*Jimmy read
Send to Jerry Safekov.
R
Terry
J*

TO: Jackie Lassiter
FROM: N. C.
Norman Cousins
RE: The President's Energy Program

The entire energy crisis, it seems to me, offers the President a magnificent opportunity to move toward the regeneration and revitalization of American society.

What confronts us is not just the need to stretch out our oil supply as long as possible. What opens out in front of us is the prospect of a new industrial revolution, the significance of which can be as profound historically as the New Deal under F.D.R. We have a chance to move towards goals that will actually enhance the life of the individual, just as they will strengthen the nation.

I'll come back to this point in a moment.

The problem with the present energy bill may be that the President has given too much attention to turning off the lights and not enough attention to turning on the American people. He is trying to do something that has seldom been done before by a peacetime American president. He is trying to generate popular support for a downside program and a gloomy prospect.

If people think they are being asked to march to a lower level, they have little incentive for whistling on the way.

The President has done a good job of dramatizing the melancholy side of the energy shortage. What he hasn't done is to talk about the exciting prospects of a new and better way of life that lies within the reach of a great nation such as the United States.

The overriding fact, of course, is that even though the world today is producing more oil than it is using, the reserves will run out. Hence, it doesn't make much difference whether D-Day--Depletion Day--will come in 50 years or 20 years or 5 years. So we have to prepare now for the Post-oil Era. We need not dread or bemoan this fact. Conceivably, we are on the verge of creating an exciting new civilization where human values can be served far more fully and creatively than ever before in history.

The Post-oil Era, of course, will be dominated by solar energy. The direct applications of solar energy have been widely heralded. But there are some indirect aspects of solar energy that offer important possibilities. Consider, for example, the possibility of "growing" our combustion fuels. Grain is a renewable resource that is easily converted into alcohol. We can use corn stalks and husks for the same purpose. We can compress shavings of lumber into "pellets" that can be burned like coal--without filling the air with soot and sulfur dioxide. We will be able to "fix" nitrogen in the soil so that we won't be dependent on expensive nitrates for fertilizer, and the streams and oceans won't be contaminated by chemical run-offs.

Are these pipe dreams? Certainly not. Brazil is already engaged in a massive project for substituting alcohol for gasoline. The cost per gallon of alcohol is not far from being competitive right now. Here in the United States, a farmers' cooperative in Selma, Alabama, is already marketing alcohol from grain at about 60 cents a gallon, using relatively unsophisticated techniques which, when refined, can probably cut that price by a third.

Meanwhile, an inventor in Annapolis, Maryland, working on his own and without benefit of million dollar research laboratories, has devised an ingenious method for improving engine combustion that will enable existing automobiles not just to get better mileage but to use alcohol or diesel fuel, or, in fact, any liquid fuel that now exists.

The wonderful thing that is happening right now is that workable answers are coming from the grass roots. Jimmy Carter of all people ought to be celebrating this fact and making it central in everything he says and does.

There is a catch, of course, in the use of fuel as a renewable resource. If we are going to grow grain for processing into alcohol, we have to be sure not to expend more energy in producing the grain crop than we're going to get out of it. The farmers in Selma, Alabama, had a net energy gain because they made a high art of the cooperative method. If each farmer had to use expensive and complicated machinery on his own farm, he would have to expend as much or more fuel than he could

produce. But by pooling both acreage and equipment, the farmers are able to make economic sense. The same will have to be true in other aspects of our national life.

The American people can lick the energy shortage by creating a design for living that puts more of the emphasis on sharing and on cooperative undertakings. We can develop new self-sufficient small communities, and rediscover the joy and creative growth that comes from meeting common needs and achieving common goals. The result will be a far more satisfying and productive existence than we know now.

The energy crisis gives President Carter perhaps the finest opportunity open to any President in the twentieth century to help reshape the social and industrial life in America for the better. Instead of presenting his program as an unhappy but necessary duty, the President can picture it as a chance for Americans to move on to a new and higher plateau where they can fulfill their potentialities as individuals.

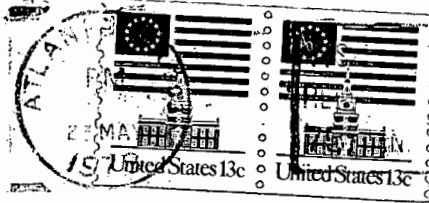
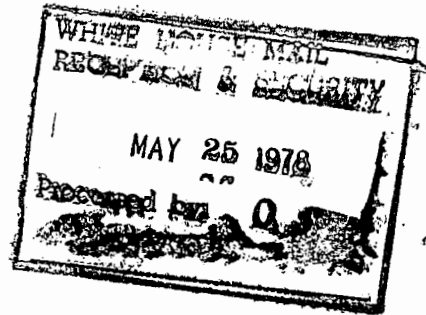
I am not suggesting that Americans need not engage in stringent conservation now because of far-reaching alternatives in the future. We've got to keep our civilization going until the collective approaches and techniques take over. What I am trying to say is that the American people can be persuaded to do anything that is necessary now, so long as they are energized by a great vision. We can find the incentive we need today to conserve oil today so long as we know we are engaged not just in deferring a gloomy fate, but are investing in an exciting future.

Jacqueline Lasser Associates

Consumer Consultants

ONE PERIMETER WAY / SUITE 400 / ATLANTA, GEORGIA 30339

Mrs. Jimmy Carter
The White House
1600 Pennsylvania Avenue
Washington, D.C. 20500



THE WHITE HOUSE
WASHINGTON

June 19, 1978

Zbig Brzezinski
Frank Moore

The attached was returned in
the President's outbox today
and is forwarded to you for
appropriate handling.

Frank - Please deliver the
attached letter to Sen. Byrd.

Rick Hutcheson

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

ACTION

June 19, 1978

MEMORANDUM FOR: THE PRESIDENT

FROM: ZBIGNIEW BRZEZINSKI *BD*
FRANK MOORE *fm/pd*

SUBJECT: Letter to Senator Byrd Re His Trip to Europe

The letter at Tab A to Senator Byrd would designate him as your personal representative during his trip to Europe. It stresses the importance of his trip in demonstrating our commitment to the Alliance and to the measures agreed at the Washington Summit, and, in case of Spain, it underscores our support for Spanish democracy. Fallows has cleared.

Recommendation:

That you sign the letter at Tab A.

Agree ✓

Disagree _____

J



THE WHITE HOUSE

WASHINGTON

June 19, 1978

To Senator Robert Byrd

I am delighted to learn that you will visit the North Atlantic Alliance headquarters and several European capitals next month. I would like to request that you act as my emissary and personal representative during your trip, which could help advance major defense and foreign policy objectives of our country.

Your planned visits to NATO, Bonn, and London afford excellent opportunities to emphasize to key Allied leaders the importance we attach to implementing the decisions of last month's NATO Summit. I ask particularly that you underscore the need for effective follow-through in achieving these goals.

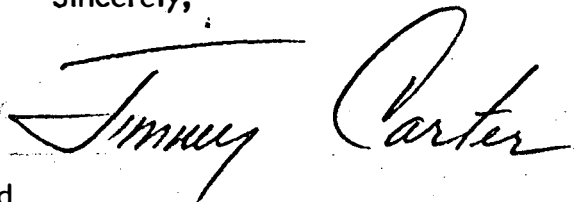
Your visit will clearly show our Allies the broad support in this country for our NATO commitment, and for the improvements in readiness and force posture discussed at the recent NATO meetings. I believe that, in this way, your visit will help convince our Allies to vigorously pursue the financial undertakings necessary to implement the Summit decisions, especially in the field of defense.

Including Madrid in your itinerary is also timely and important. Your talks there will help affirm our support for Spain, and its admirable development of democratic institutions. You will be able to convey, as well, the value we attach to our defense cooperation with Spain. Their willingness to provide military facilities for American forces greatly contributes to the security of both Spain and the United States, as well as the West as a whole.

I am requesting that the Departments of State and Defense, and our missions abroad, provide any needed assistance to you and your party. I look forward to hearing the results of your discussions when you return from Europe.

With warm regards,

Sincerely,

A handwritten signature in dark ink, reading "Jimmy Carter". The signature is fluid and cursive, with the first name "Jimmy" and the last name "Carter" clearly legible.

The Honorable Robert C. Byrd
United States Senate
Washington, D.C. 20510

THE WHITE HOUSE
WASHINGTON

June 19, 1978

Frank Moore
The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

cc: Zbig Brzezinski
Phil Wise
Fran Voorde

GREECE TURKEY

THE WHITE HOUSE

WASHINGTON

June 19, 1978

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MEMORANDUM TO: THE PRESIDENT

FROM: FRANK MOORE *F.M./BR*
BOB BECKEL *BB*

SUBJECT: GREEK/TURKEY

It appears that the Turkey Arms Embargo vote in the House will be postponed until after the July recess. We had expected Zablocki to fight hard for a late June vote, but he has apparently capitulated to Brademas' request that the vote be delayed. Zablocki now argues that the recess will give veterans groups an opportunity to lobby Members on behalf of lifting the embargo. We believe strongly that the delay will hurt our chances, and that Zablocki is only trying to justify backing down. Our feeling is that the Greek Community is far more organized on this subject, and only they can benefit from lobbying over the recess.

We are going to recommend that you and Secretary Brown meet with the House Democratic Leadership this week minus Brademas to seek their support on the basis of U.S. security interests. Rostenkowski argues that this is the only way to bring O'Neill and Wright around, if at all. Rostenkowski will attend the meeting and has agreed to endorse the lifting of the embargo in the meeting. Even if we are not able to convince O'Neill (Wright will be somewhat easier to convince) you should encourage a vote before the recess. We expect O'Neill to resist an early vote, however, given Brademas' objections and the crowded House calendar.

We will meet with Church, Bentsen, Baker and Chafee this week to urge them to take a leadership role in the Senate. We have cleared this with Byrd who indicated that he may step out himself after Labor Law Reform. We don't, however, expect a vote in the Senate before mid July.

THE WHITE HOUSE
WASHINGTON

June 19, 1978

Frank Moore

The attached was returned in the President's outbox today and is forwarded to you for appropriate handling.

Rick Hutcheson

cc: The Vice President
Hamilton Jordan
Stu Eizenstat
Jack Watson

~~CONFIDENTIAL~~ ATTACHMENT

*Frank. Seems like
major confrontation (5)
ahead -*

THE WHITE HOUSE
WASHINGTON

June 17, 1978

~~CONFIDENTIAL~~

MEMORANDUM FOR THE PRESIDENT

FROM: FRANK MOORE

SUBJECT: Weekly Legislative Report

DOMESTIC POLICY ISSUES

1. ENERGY

--House and Senate Conferees completed action on the natural gas compromise on June 13. Department of Energy reports that the drafting of the conference report is expected to be complete in about a month.

--Of the non-tax portions of the Natural Energy Act this leaves only the conservation section to be completed. The remaining issue is contained in the Metzenbaum Amendment which calls for a production ban on gas-guzzling autos. The conferees are expected to meet on this on Tuesday.

2. TAX REFORM

--House Ways and Means Democrats took no action during the past week. Treasury reports that Ullman is unlikely to do anything until he has a majority of the Democrats favoring a single proposal.

--Major proposals now being considered:

- (a) Jones Compromise: Has 10 - 12 Republicans and 9 Democrats (Ullman, Jones, Rostenkowski, Burleson, Gibbons, Pike, Cotter, Jenkins, Tucker). He needs four more. If he adds benefits for small business, he may get Pickle; and further yielding on capital gains may attract Waggonner. He would then need to make appeals/concessions to Holland, Lederer and Burke. Two of those would give him the necessary Democratic majority. Treasury feels the likelihood of Jones' success is not great.
- (b) Fisher Proposal: Corman, Mikva and Brodhead have joined Fisher in pushing an extension of the 1976 cuts coupled with a simple \$15 million tax cut. They see

~~CONFIDENTIAL~~

DECLASSIFIED
E.O. 12958, SEC. 3.5(b)
WHITE HOUSE GUIDELINES, AUGUST 27, 1997
BY *[Signature]* MRS DATE *3/24/00*

this as a fallback position and would need a closed rule to prevent addition of a Steiger capital gains amendment. Appeals are being made to Vanik, Stark, Jacobs, Keys, Rangel, Ford, Gephardt, Lederer, Tucker and Holland.

- (c) Vanik-Pickle simple extension of the 1976 cuts has not gained support in the past week.

--Treasury recommends that the Administration not oppose the Fisher proposal. They suggest that this may evolve as the Committee's solution.

3. REORGANIZATION

--Civil Service Reform: The Senate Governmental Affairs Committee nearly completed mark-up of the reform bill Wednesday evening. There were three significant developments that occurred during the day. In a very short afternoon session, the Committee adopted the Administration's proposal for labor-management relations (Title VIII) with no changes. The evening session got bogged down on the Veterans' Preference issue, which was deleted from the bill on a 7 to 9 vote. We are following your instructions and are not letting this die. We are going to try to regain some ground in committee and are discussing a floor strategy. The discussion ended for that day on the Equal Employment Opportunity issue. Ribicoff has never been satisfied with the agreements reached by CSC, OMB and EEOC in Reorganization Plan #1 regarding the processing of "mixed" appeal cases (i.e., an adverse action appeal coupled with a discrimination complaint). With support from Javits and Percy, Ribicoff is prepared to offer an amendment to the Civil Service proposal which is totally unacceptable to the Administration and more importantly to the entire civil rights community. Even the debate on the Ribicoff proposal would have a serious, negative impact on the Civil Service reform bill, to say nothing of the negative impact of a favorable vote. (If the Committee accepted the Ribicoff amendment, the civil rights community would turn against the reform bill).

--Rather than force the issue Wednesday evening, the Committee adjourned subject to Ribicoff's call. He will not convene the Committee for a final vote on the bill until we can work out compromise language on this issue. This weekend Scotty Campbell, Domestic Policy staff and OMB are negotiating with Javits and Ribicoff's staffs in an effort to reach a compromise. (An added element of difficulty on this issue has been Senator Cranston's on-again/off-again decision to side with Ribicoff. While Cranston does not serve on this Committee, the prestige of his position adds weight to Ribicoff's position). When agreement is reached, the Committee will meet in a short session to accept the amendment and report out the bill. We are in very good shape on all other aspects of the bill, having the Administration's position prevail on virtually all other amendments offered.

--The House Government Operations Committee completed hearings on Reorganization Plan #2 on Tuesday. There are no major issues or controversies in that Committee on the plan. Mo Udall testified Tuesday and suggested that the 60-day clock ticking on the plan puts some healthy pressure on the Post Office and Civil Service Committee to work on the legislation and if the plan were approved (by August 9 which is the end of the 60 days) prior to action on the bill, that pressure would be off. Udall said he might advise the Administration to withdraw the plan and resubmit it later this session to make approval dates more nearly coincide if the legislation got stalled.

--As it stands now, the House Post Office and Civil Service Committee is scheduled to mark-up Wednesday (June 21) and Thursday (June 22). We fully expect to complete Committee action before the July 4th recess, which should allay Udall's concerns. Scotty Campbell met with Udall and Ford on Tuesday regarding the House Committee print and labor-management relations. It was a strategy session spent mostly explaining the Committee process in distributing the Committee print to the Democrats on the Committee, to stave off the necessity for another Democratic caucus meeting.

--The Civil Service Legislative Task Force met Saturday morning to discuss Senate and House strategies. You may be asked to make a few calls this week; we will keep you informed on developments.

Department of Education: It is Jim McIntyre's intention to call Jack Brooks on Monday and inform him of our decision to support the introduction of a Brooks bill on Education that does not include the Head Start transfer. We will seek agreement from Brooks on the list of co-sponsors for his bill and will reserve the right to amend the bill at a later date to include Head Start if it survives the Senate mark-up (now tentatively scheduled for next week).

--In the Senate, we are focusing our efforts on the child nutrition programs, which are in some danger of being dropped out in the mark-up. We will be talking with Secretary Bergland's people on Monday as to their role, and we have been lobbying the individual members of the Governmental Affairs on these programs. There is substantial opposition from the commodities groups as well as from the members of the full Senate Agriculture Committee to the transfer of this unit.

4. HOSPITAL COST CONTAINMENT

--June 13, 14 and 15, the House Commerce Committee continued mark-up begun June 6 of H.R. 6575. An amendment by Wirth (D-Colo.) was approved by a voice vote which would permit those States who met the goals of the national voluntary program, even though it failed, to continue their own programs and remain exempt from Federal controls. An amendment by Santini (D-Nev.) to remove standby controls if voluntary efforts fail was defeated 24 to 16. Amendments to add energy (Gammage, D-Tex.) and malpractice (Stockman, R-Mich.) pass-throughs were defeated 19 to 20 and 19 to 21 respectively.

--On Thursday, the Committee adopted a wage pass-through. The pass-through, proposed by Bob Eckhardt and Henry Waxman, is satisfactory to organized labor; HEW reports that we now have labor's support for the bill. If the Committee had been able to meet throughout the day on Thursday, HEW believes we would have had the votes to report the bill. Mark-up will resume on Tuesday, June 20.

--The Senate Finance Committee will begin mark-up of a Medicare-Medicaid bill on Tuesday of next week. This bill may be a vehicle for Hospital Cost Containment provisions.

5. AIRLINE REGULATION REFORM

--Secretary Brock Adams took 4 Members of the Chicago Congressional delegation to Midway Airport on Friday to hold a press conference with Mayor Bilandic on the opening up of Midway. The Chicago delegation went on record as being very much for the legislation. This is the first of a series of planned attempts to get blocs of Members to support openingly the bill before it reaches the floor.

--Chairman Johnson will ask for the rule on the bill after the July 4th recess. The delay is centered around problems between Congressman Anderson and Senator Cannon on the noise bill. Johnson has given July 4th as a deadline to work out the problems.

6. SURFACE TRANSPORTATION

--The Ways and Means Committee has not yet set a date for consideration of Title V of the DOT authorization bill.

--On Friday, June 9, Gibbons' Oversight Subcommittee issued a report to the full committee outlining the findings of their hearings and suggesting the various options available in deliberating the extension of the trust fund. They are:

1. Extending the trust fund for six years as requested by the Public Works Committee.
2. Increasing the gas tax.
3. Supplementing any deficits in the trust fund with general revenues.
4. Repealing the trust fund entirely and financing all highway programs from general revenues, thereby increasing the general deficit.
5. Enacting a control on expenditures from the trust fund such as the approach in the Gibbons/Conable amendment.

--The subcommittee did not endorse any one proposal. The highway construction lobby is waging an intensive campaign against our position (Gibbons/Conable). Given the Committee's traditional reluctance to overturn the efforts of another Committee, and the fact that some

Members have specific projects in their districts in the Public Works Committee bill, the outlook is unsure -- DOT reports that our chances are 50-50. As soon as possible, Secretary Adams would like to jointly sponsor meetings at the White House with Ambassador Strauss and other appropriate officials with the following groups: Highway Construction Industry, Building Trades Unions and the National Governors Association Standing Committee on Transportation, Commerce and Technology. In addition, DOT recommends that Ambassador Strauss meet with Ways and Means Committee Members to generate support for the Conable/Gibbons proposal. DOT and White House CL are working closely on this.

7. LOCAL PUBLIC WORKS

--The Subcommittee on Economic Development (Roe) of House Public Works has scheduled hearings for June 27-29 on Round III of Local Public Works and Labor Intensive LPW.

--Roe has 100 co-sponsors on his two billion dollar LPW III bill. Commerce suggests that we exhaust all possibilities of seeking accommodation with Roe instead of simply attempting to stop Round III. Roe's all-out opposition could put you in the position of having to sign or veto a bill which contains one billion dollars for LPW and one billion for LIPW. Commerce, CEA, OMB, DPS, Wexler and White House CL are meeting Monday to develop strategy. We will meet with Roe on Tuesday or Wednesday.

8. NEW YORK CITY FINANCING

--The Senate Banking Committee completed action Thursday on the Administration's New York City legislation by voting 12-3 to send the bill, as modified, to the floor. The Committee-approved bill would authorize the Treasury Secretary to guarantee up to \$1.5 billion of the City debt for the next four years. Conditions on the guarantee authority beyond those in the House bill were added by the Committee and included:

- (a) Guarantees for the last \$250 million installment in the fourth year would be conditioned on the City's having achieved a balanced budget;
- (b) Guarantees for the second and third years could be withheld by a veto of one House of Congress.
- (c) The Treasury Secretary would have the ability to sue to enforce the provisions of the bill;
- (d) The City would have to use 15% of the proceeds of debt sold after 1982 to pay back the guaranteed debt;
- (e) The State of New York would have to set aside a fund of 5% of the guaranteed debt to co-insure that amount; and
- (f) The State of New York would have to agree not to reduce its level of support to the City over the next four years.

--Treasury reports that they are not seriously concerned about these conditions but will work to encourage the Conference (if the Senate acts favorably) to modify the more unfavorable conditions.

9. LABOR LAW REFORM

--At the most, we have two more shots at cloture; Senator Bumpers is definitely the key. The Vice President has been working with him, but so far the results are inconclusive. We must be careful not to make Bumpers a public "target", as that will only serve to focus more opposition attention on him. It may be necessary for you to meet with some Senators individually early in the week; Bob Thomson is on top of this and will keep you posted. You should be aware that the Labor Department is somewhat more optimistic about the situation than we are; getting from 58 to 60 is going to be a tough fight.

10. URBAN POLICY

--The National Development Bank legislation will be sent to the Hill on Tuesday, June 20. The Vice President will announce this in a speech to the Conference of Mayors on Tuesday. Treasury and Wexler are coordinating briefings for the Hill and outside interest groups.

--HUD is coordinating a speakers bureau for Administration officials to help sell the components of the urban policy.

--Work continues on Supplemental Fiscal Assistance. Treasury is to meet with L. H. Fountain, Chairman of Government Operations Subcommittee on Intergovernmental Relations, this week to supply data he requested. One more day of hearings before mark-up is possible. Fountain and Brooks still oppose.

11. ALASKA D-2 LANDS

--Mark-up on the Senate side begins next week. Senator Byrd has not moved from his position of deferring to the two Alaska Senators, who continue to threaten filibuster. Although Interior continues to hold out hope for action this year, WHCL believes that is unlikely. We think we should prevail on Byrd to agree to bring up Alaska lands as the first big controversial bill in 1979.

12. CLINCH RIVER BREEDER REACTOR

--The compromise reached during last week's mark-up by the Senate Energy Committee on the DOE FY 79 authorization came under question during mark-up sessions this week and final resolution of this matter was postponed until next week. Mark-up is scheduled to resume June 20. The meeting with the nuclear industry people has brought Chairman Teague, Flowers, Fugua and Brown together on passing the Flowers compromise amendment that would terminate CRBR.

13. NO-FAULT INSURANCE

--The House Commerce Committee is expecting to take up No-Fault shortly after it completes action on Hospital Cost Containment. We are hopeful that they can -- at least -- begin mark-up before the July 4 recess.

--Although a vote may not occur for weeks, lobbying on both sides is already heavy. Secretary Adams will soon be talking with Chairman Staggers as well as Congressmen Rogers, Dingell, Preyer and Brown of Ohio.

--The Committee line-up shows 14 in favor; 15 against; and 14 undecided.

14. HOUSING AND COMMUNITY DEVELOPMENT

--The HUD authorization bill is likely to go to the House floor this week. HUD reports a strong likelihood of approval for the legislative veto provision Garry Brown is expected to offer.

--HUD is more hopeful about defeating an amendment which Representative Abdnor may offer to reverse the HUD field reorganization. We do not expect the approval of any amendments which would significantly exceed the Administration's requests.

15. APPROPRIATIONS

--Those of us (White House CL, Domestic Policy staff and OMB) working with the various agencies on the more onerous appropriation bills are troubled by an evident lack of legwork that is necessary if we are to hold the line on spending for FY 79. We are working with Jim McIntyre and his staff in preparing a more detailed report on the problems we have encountered; you will have that report early in the week.

--Reports based upon information provided by agency CL offices this week on a variety of appropriations measures follow:

Defense: The Defense Subcommittee of Appropriations completed its mark-up Thursday night. It is our understanding that their mark-up will be \$200 to \$300 million above our request. However, their total includes funds for the nuclear carrier which means substantial modifications in other programs. We will be receiving a detailed analysis from DOD and OMB in the next few days.

--It appears now that the full Committee will consider the bill on July 13 and Chairman Mahon agrees that a major effort should be made to delete the nuclear carrier at that time (we lost by one vote in subcommittee -- 7 to 6).

Agriculture: Our efforts to overturn the subcommittee's position in the full House Appropriations Committee came to naught Tuesday when the full Committee followed Whitten's lead completely. Only Norm Dicks (D-Wash) voiced objection; all the rest went along quietly.

--We are faced with the prospect of fighting to change the bill on the floor, assuming we can get someone to sponsor an amendment. One strategy being considered by USDA will be submission of an all-inclusive amendment to bring the bill back to our original proposal. Of course, we may also see an effort at a flat or across-the-board 2% or 5% reduction.

--Efforts to fight the subcommittee have been hampered because not many Members are willing to go toe-to-toe with Whitten, who is in line to become the next Chairman of the full committee and thus will be in a position to punish his opponents in some imaginative and effective ways. House floor action is scheduled for Tuesday, but that may slip somewhat.

--The Senate subcommittee begins marking-up its bill Wednesday. White House CL staff has contacted Chairman Eagleton, who intends to fight for our position.

State/Justice/Commerce: Because of the requirement that there be a completed authorization bill prior to the enactment of an appropriations bill, most of the monetary allotments provided in the State-Justice-Commerce appropriations bill were eliminated by points of order. The amounts voted by the Senate will now be taken to conference and the House conferees will have to carry the Senate figures back to the floor of the House. As a result of our discussions with his staff, Congressman Beard withdrew his amendment to the appropriations bill which would have eliminated the funding for the Interests Section in Havana. He instead substituted an amendment to the Commerce Department portion of the bill which provided that "no part of any appropriation . . . shall be obligated or expended for promoting or conducting trade relations with Cuba." As trade relations with Cuba are currently banned by statute, the amendment will have no noticeable effect on U.S. foreign policy.

--Previously Elliot Levitas had indicated his intention to offer an amendment to the Justice appropriation which would forbid the use of funds appropriated in the bill for the Department of Justice to directly or indirectly urge the unconstitutionality of any statute of the U.S. unless such statute previously had been held unconstitutional by decision of the Supreme Court. Levitas' angle on this is clearly his support of the One-House legislative veto and our opposition to it. However, Bill Cable reports that sentiment in some Congressional quarters goes beyond Levitas' pet gripe to a flap which occurred a few years ago relative to the Federal Elections Act when the Justice Department stipulated to the unconstitutionality of a key provision of the FEA regarding appointees to the Federal Elections Commission.

--Commerce was successful in efforts to secure Senate Subcommittee action to restore two Administration priorities -- funding for the anti-boycott compliance program and funding of the full request for the Census Bureau, which had been cut by \$25 million in the House. At present, Commerce's budget has been cut by \$928 million

in the House and increased by \$57 million in the Senate subcommittee. (In addition to the House Committee cuts totaling \$312 million, Commerce programs -- Maritime Administration, National Bureau of Standards, National Technical Information Service and the National Fire Prevention and Control Administration -- were cut by a total of \$580 million due to the absence of authorizing legislation and then the entire Commerce budget was cut by 2% as a result of the Miller amendment).

--Secretary Kreps discussed the Senate strategy to fight the Senate "add-ons" with Anne Wexler, Jim McIntyre and my staff in a meeting at OMB on June 15.

Labor/HEW: June 13, by a vote of 338 to 61, the House approved the first of two FY 79 appropriations bills (H.R. 12929) for the Departments of Labor and Health, Education and Welfare. By a vote of 220 to 181, the House agreed to an amendment offered by Clarence Miller (R-Ohio) calling for a total spending reduction which equals 2% of all the controllable expenditures in the FY 79 Labor-HEW bill, but does not exceed 5% in any one program.

--The House also agreed by a vote of 232 to 177 to an amendment by Walker (R-Pa.) to prohibit funds from being used to implement quota systems in college admissions, hiring and promotion policies. Two amendments to broaden the availability of funds for abortion over the provision contained in the Committee bill failed.

--June 14, the Senate Labor-HEW Appropriations Subcommittee (Magnuson) continued mark-up begun May 24 on the first Senate bill, limited to authorized programs, to provide FY 79 appropriations for the Departments of Health, Education and Welfare and Labor. The subcommittee completed its mark-up of the health portion of the bill. As its first order of business, the subcommittee decided to delete the Clarence Miller (R-Ohio) amendments from the House-passed bill which would cut approximately \$400 million in Labor-HEW discretionary programs. Thus far, the Senate subcommittee bill is approximately \$520 million over budget for Public Health Service programs; \$98 million higher than the House-passed bill in controllables; and \$265 million under the House bill in Medicaid.

--June 15, the subcommittee was supposed to complete mark-up but did not. Instead the full Senate Appropriations Committee met and approved a FY 78 Urgent Supplemental to increase funds for the black lung program. An amendment by Eagleton (D-Mo.) to increase Emergency School Aid Act (ESAA) special project funds by \$50 million was added to the Supplemental.

The subcommittee will resume consideration of the FY 79 Labor-HEW appropriations bill on Tuesday, June 20.

HUD/Independent Agencies: On Wednesday, June 14, the HUD-Independent Agencies Subcommittee of the Senate Appropriations Committee began its mark-up of the HUD FY 79 appropriation bill. In the course of the mark-up, Chairman Proxmire ruled, with the concurrence of the

subcommittee, that no action should be taken on appropriations requests for programs not presently authorized. Full Committee Chairman Magnuson had earlier given such instructions to the subcommittee. As a consequence, the subcommittee confined its actions to providing the full amounts requested by the Administration for the Community Development Block Grant program and the Urban Development Action Grant Program. A proposal by the Chairman to reduce UDAG funding from \$400 million to \$300 million was defeated by a vote of 6 to 4. Action was also taken on the Department's request for staff and funding for salaries and expenses. Of the 210 positions cut from the Administration's request by the House Appropriations Committee, the Senate Committee restored all but 35, over the opposition of Chairman Proxmire. Action on all other HUD funding requests was deferred until approval of the authorizing legislation. The subcommittee recessed subject to call of the chair with the expectation that action would not be resumed until sometime in August.

Interior: Efforts to bring the bill into line with our original budget request had not achieved satisfactory results by week's end. A report on this bill will be included in the memorandum that is being prepared by OMB with our assistance.

--The bill is tentatively scheduled for floor action in the House on Tuesday, but it is likely to slip until later in the week. On Friday, Secretary Andrus met with Subcommittee Chairman Sid Yates and explored with him the possibility of amendments to bring the bill closer to our request. It should be noted here that Yates commented that the conversation with Andrus was the first request he had received to reduce or eliminate the add-ons.

--The Interior Appropriations bill also contains the Forest Service (USDA) appropriations, which is above our request. Personnel from USDA, OMB and White House CL have attempted to find someone to offer a floor amendment to bring the bill back to our original request, but to date we have been unsuccessful. Again, OMB and our staff were involved too late to make much of a difference.

FOREIGN POLICY ISSUES

1. TURKISH ARMS EMBARGO

--Our Congressional opponents have begun a counter-offensive designed to prove: (a) that we lack sufficient votes in the House to win on the embargo issue; (b) that the Administration program will undermine Prime Minister Caramanlis and democratic institutions generally in Greece; and (c) that the Administration has failed since 1977 to try to make the embargo work. On this last point, our opponents are distributing a white paper containing a variety of charges about our failure to implement and utilize the embargo effectively.

--State reports that they do not know what impact this new document will have, but their current feeling is that your press conference statement, your breakfast meeting with Congressmen on June 15 and the briefings they have been holding on the Hill have begun to shift the tide in our favor. Next week they hope to build on this momentum with: (a) the hearings before the Armed Services Committee on June 21; (b) your meeting with Greek-Americans on June 22; and (c) the series of briefing sessions which General Haig will be conducting on the Hill. The House vote has not yet been set, but they are working on the assumption that it will occur sometime before June 30.

--DOD reports that they have met with representatives of several veterans groups and are working with them to generate local support throughout the country for lifting the embargo.

--The date for the Senate Armed Services Committee hearing on Turkey has now been set for June 28. The witnesses probably will be Secretaries Brown and Vance and Generals Jones and Haig.

--This past Wednesday Secretary Brown met with the "Chowder and Marching Society"; about 20 key House Republicans attended the breakfast session which DOD CL staff characterized as a "spirited, but we believe mutually beneficial, discussion of various Defense matters. In particular, Secretary Brown tried to hit the Turkey embargo issue." The Department believes the group is with us on the issue, but that some reservations were apparent in terms of domestic political considerations.

2. FOREIGN AID APPROPRIATIONS

--Because of objection from Senator Harry Byrd, the Senate Leadership was unable to work out a unanimous consent agreement whereby the foreign aid authorization bill (S. 3074) could be considered a non-controversial measure while the Labor Reform bill is still pending. The expectation now is that the bill will not be considered on the Senate floor until after the Labor bill has been disposed of, most probably after the July 4 recess.

--Prospects for the Foreign Assistance Appropriations bill are becoming less hopeful as we proceed into the "post-Proposition 13 era". As the bill moves to the House floor next week, we must now expect a series of restrictive amendments aimed at selective commodities and countries considered to be human rights violators. The Appropriations Committee staff now predicts that the final bill may be as much as \$1 billion below that reported by the Committee -- already reduced below our request -- and attribute declining support to (a) a renaissance of fiscal conservatism and (b) a backlash against the Administration's efforts to reduce the HEW and Public Works Appropriations.

--A key development was the decision of the House Rules Committee on June 15 to adopt, by a vote of 6 to 4, a rule permitting points of order to be raised on the floor against the innocuous language

proposed by Congressman Obey affecting general commodity restrictions. With the expected removal of these compromise provisions, there will be renewed efforts on the floor to add restrictive commodity-specific and human rights amendments. Representative Mathis has already proposed one covering palm oil, sugar, citrus, tobacco, grains, oilseeds and steel. We also expect efforts to further restrict U.S. actions within the International Financial Institutions in cases involving human rights violators.

--During the Rules Committee considerations, Chairman Long reiterated his intention to offer an amendment, previously defeated 20-22 during full Committee mark-up, to cut approximately \$580 million from IFI accounts. Representative Young attacked a proposed \$60 million World Bank loan to Vietnam, thereby signaling his probable move to offer a floor amendment restricting "indirect" loans to Vietnam, Cambodia, Laos, Uganda, Angola, Mozambique and Cuba.

--We are actively contacting Members with our side of the story. We are also working with Obey and a whip group in an effort to hold the line. Discussions have already begun with key Members on the Senate side to see what can be done to repair possible House damage.

--AID expects the Inouye Subcommittee of the Senate Appropriations Committee to mark up the foreign aid appropriations bill probably on June 23 or most certainly later in the week following the House floor action on June 21. Preparatory to that mark-up Administrator Gilligan has visited with Chairman Inouye and with Senators Schweiker, DeConcini and Leahy, and will complete visits with the other members of the subcommittee by the end of next week. Senator Schweiker, the ranking Republican on the subcommittee, was very cooperative and AID believes that we can count on his support for, among other things, the full AID operating expense request (\$261 million). Senator Schweiker also told Governor Gilligan that he is prepared to support an increase of \$200 million for the banks over the amount recommended in the House Appropriations Committee's bill. He said that if deep House floor cuts are made, however, he could not support that high a figure in the Senate subcommittee mark-up.

--We have previously unforeseen problems regarding the Sahel account as Senator Brooke had earlier agreed to lead the charge for the full \$90 million (HAC has recommended \$60 million). Since his personal problems have been aired in the press, it is an open question as to whether Brooke will participate in the mark-up at all, and we have no assurance that Senator Inouye will lead any effort to increase the House-approved amount.

3. ANTI-TERRORISM LEGISLATION

--Anti-terrorism legislation is scheduled for mark-up by the Senate Foreign Relations Committee next Tuesday. This legis-

lation, referred to the SFRC by Government Affairs, was to have been considered this week but Administration testimony recommending changes caused the delay.

--In preliminary discussions, we find some sympathy for our recommendation that sanctions, now to be applied on an automatic basis, be made discretionary. There is little sympathy, however, for our effort to eliminate the concurrent resolution veto from Section 5 -- the section which would permit the President to remove a country from the list of those which have demonstrated a pattern of support for international terrorism. Even staffers who in general share the Administration's concern about the bill do not support making this change. They argue that there would be very little practical effect since a country is only listed for a six-month period. A President would, therefore, not be likely to use his authority to remove a country except under exceptional circumstances requiring immediate action -- circumstances which would not be likely to engender Congressional opposition. The argument that the concurrent resolution veto is unconstitutional falls on deaf ears on the Hill.

4. NUCLEAR FUEL TO INDIA

--Earlier this week, the HIRC approved by voice vote a motion to report adversely the resolution to disapprove the shipment of nuclear fuels to India, thereby supporting the President's decision. It is expected that this issue will be brought before the full House some time next week. The SFRC may consider the matter next Tuesday at the insistence of Senators Glenn, Church and Pell. At this time it would appear that no resolution will emerge from the Senate. Senator Glenn's staff was preparing a resolution of approval -- this is not required by the law -- which would have pointed out that India has 18 months under the Non-Proliferation Act to place itself under the provisions of the NPT and IAEA safeguards. Glenn may now be having second thoughts.

--Under the provisions of the Non-Proliferation Act, the SFRC has until June 21 to act on the President's decision. Congress has until July 15 to adopt a concurrent resolution of disapproval, otherwise the shipment can go forward. Adoption of such a resolution by either House is not anticipated.

5. HUNGARIAN TRADE AGREEMENT

--The Senate Finance Committee will mark-up the resolution approving the recently negotiated trade agreement with Hungary on June 22. State has provided information on the trade agreement and the assurances on emigration policy received from the Hungarians (as required by the Jackson-Vanik provisions of the Trade Act) to all members of the Committee and have met personally with several of them. Senator Ribicoff, who is managing the bill, has assured us that he expects no difficulty either in mark-up or on the Senate floor. The bill is not likely to go to the floor until after

the July recess. The agreement was approved by the House on May 22.

6. EXIM BANK BILL

--The House Banking Committee Staff Director has told Exim Bank that present indications are that the House will not resume its consideration of the Exim Bank bill until the last week in July. Senate floor action is likely to be even longer delayed in view of a decision reached today by the Culver Subcommittee of the Senate Environment and Public Works Committee to delay its hearing on the JEPA provision (Stevenson amendment) of the bill until mid-July. This will probably mean that the bill would not be ready for the Senate floor until August.

7. SECRETARY VANCE APPEARANCE BEFORE THE HIRC

--Secretary Vance is scheduled to testify before the full HIRC in Executive Session on Monday afternoon. His testimony will cover U.S. policy toward the Soviet Union and Africa. He anticipates that the Committee will raise with him the other concerns expressed by 14 of its members in their June 7 letter to you. The session may well prove to be a preview of what you may expect at your working dinner for many of the same members the following evening.

MISCELLANEOUS

--Water Policy: The vote of 142 - 234 against the Edgar amendment was indication of the pressure the Committee Chairmen and Majority Leader Wright used to keep water policy decisions in Congress. Their goal was to keep you from having a vote that would let you veto the bill. They failed in this since the 142 is a sufficient number to sustain a veto in the House. The House now fully expects the Senate to again work things out with you to prevent a veto. Supporters of your water policy in the House think you should veto the bill (as they did last year).

--Members of the House who are involved in Commerce and Water Resource matters, and who are generally supportive of the Administration's programs, are dismayed at the strategy used by the Administration on the Water Projects issue. They claim they opposed us with far greater vehemence than would have been the case if we had laid our cards on the table with them prior to going public with the confrontation.

--A fight is brewing between the Appropriations Committee and the authorizing committees in the House in response to a series of amendments which have been considered this week during the Appropriations process. It is currently expected that the chairmen of the authorizing committees will draft a letter expressing their collective concerns about legislation during the Appropriations

process. Congressman Richard Bolling, who is expected to be the Chairman of the Rules Committee next year, is reportedly ready to take an aggressive role in this effort as well. In the June 15 Congressional Record, Congressman Bolling stated that the Budget Act must be amended in order to avoid the current situation (where many Appropriations will be considered prior to enactment of the authorization legislation).

--New York City Aid calls by you and the Vice President impressed Moynihan and Javits and helped us politically in New York. We cannot overemphasize how much strong White House and Administration interest and involvement in this issue has helped us with Senator Moynihan.

--Moynihan drove to Andrews Friday morning but did not board the plane to Panama. We originally thought this was a fit of pique since he was not on Air Force One, but Moynihan later told WHCL that it was because (1) he had had a root canal the night before and needed recuperation, and (2) he wanted to work the New York City Aid issue on Friday. Coupled with his stated reasons, we suspect that he was not anxious to draw new attention to his Treaty votes.

--Several senators are grouching that your Panama trip will hurt you and them politically by reopening wounds suffered during the Treaty debates and votes. They believe they "did the right thing" but want the issue to die as quietly and quickly as possible. This view is shared by the House leadership as well -- they wish it was over, but anticipate tough going on implementing legislation.

--We attribute our Governmental Affairs Committee loss on veterans preference directly to the Panama Canal Treaty votes. Veterans groups are berating Treaty supporters and saying that veterans preference is a test of the senator's worthiness of veterans' support. A case in point is Senator Muskie. Most Senators agree that we are "doing the right thing" but want to avoid the political heat.

--By nominating a Panama Canal Zone Judge not from Kentucky and not recommended by the Kentucky Senators, we are disregarding a long-standing tradition to the chagrin of Huddleston and Ford. The flak we are taking should have been avoided.

--After lunching with Jerry Rafshoon and my staff in the White House Mess last Monday, Senators Hollings and Goldwater now appear ready to let the Geller nomination go forward. A little stroking sometimes goes a long way.

--Senator Cranston has twice personally requested that you meet with Howard Jarvis, who will be in town on Monday and Tuesday. Cranston says it would help him politically but, more importantly, would help us in California. He believes a refusal to meet with Jarvis would be far more damaging than any publicity that would

result from an "unsuccessful" meeting. Most of your closest advisers take a different view. They believe you should not meet with Jarvis, nor should he meet with anyone in the White House.

I agree

--The White House Authorization bill is still being "held" by the Republicans. Senator Roth may have some proposed amendments and, while he has not disclosed their nature, we do not expect they are aimed at giving us a helping hand. We will follow-up with him.

--Proposition 13 has the Hill in a dither and may help us in our efforts to keep spending within acceptable levels. However, different Members are reading different messages from Prop 13, to wit: some say it is a taxpayers' revolt against taxes and government spending, but others are worried that the federal government will be forced to take up the slack in providing services traditionally paid for by state and local governments. In short, there is confusion and chaos on the Hill on this issue.

--There is a possibility that George Meany will write a letter to House Members supporting the passage of the foreign aid appropriations bill and opposing further floor cuts. While the AFL-CIO continues unabated in its opposition to assistance which, in their opinion, creates unfair competition for U.S. producers, they support "humanitarian" assistance and institution building, particularly that carried out by the American Institute for Free Labor Development, which, with joint AFL-CIO and AID funding, has a number of projects in Latin America.

--Subcommittee Chairman Whitten, in making his appeal for the full committee to support the Agriculture subcommittee's action (\$410 million over your budget), stated that "except for the Congress following our recommendations, we (the country) would be a Dust Bowl today."

--As a result of our lack of success with the Jacobs/Holland amendment on the Labor-HEW bill and the Edgar/Miller package, some Appropriations Committee staff have advised us to "hide" during the upcoming week's floor action, unless we can provide "a more credible and timely performance."

--Solar Energy Policies - The House Government Operations Subcommittee on Environment, Energy and Natural Resources held three days of hearings on June 12, 13 and 14 concerning solar power development. The subcommittee heard witnesses from government, the academic community and private interest groups. The Administration was criticized for "its lack of interest in the development of small solar concepts, for its minimized solar budget, and for its failure to have a strong solar energy policy."

--Witteveen Facility - Senator Kennedy's letter expressing his support for the Facility and his opposition to Abourezk-Hatfield was a welcomed event. Further progress continues to be slowed by the Labor Reform filibuster, Senate staff disagreements and Member inattention.

--Reception Honoring Top Black Businessmen - Commerce reports that the White House briefing and reception was received favorably by the Black businessmen. This event may have renewed confidence in the Administration's minority initiatives among the minority community. Cabinet-level attendance at the briefing and reception included Secretaries Kreps and Harris, UN Ambassador Young, Ambassador Strauss, and Federal Reserve Board Chairman Miller. Secretary Brown also attended.

--Bilingual Courts - The House Judiciary Subcommittee on Civil and Constitutional Rights has tentatively scheduled for July 13, the first day of hearings on H.R. 10228 and S. 1315, the proposed "Bilingual, Hearing and Speech Impaired Court Interpreter Act." The subcommittee apparently intends to hold three separate hearings on three different subjects covered by the legislation: Services for the hearing and speech impaired; services for persons not fluent in the English language; and the institution of the speaking of Spanish in federal court in Puerto Rico. While the Justice Department supports all three aspects of the proposal, they are most interested in the Puerto Rico courts provision. S. 1315, the Senate version, passed the Senate on November 4, 1977.

FLOOR ACTIVITIES, WEEK OF JUNE 19

House

Monday - 5 suspensions:

1. HR 11886, Veteran Disability Compensation and Survivor Benefits Act
2. HR 11888, Increased Compensation for Disabled Veterans
3. HR 10173, Veterans' and Survivors' Pension Improvement Act
4. HR 12841, Prohibit Regulations on Fringe Benefits Taxes
5. HR 12589, International Investment Survey Act Amendments

-- HR 12936, HUD-Independent Agencies Appropriations - "The Administration supports the bill, but is concerned about some of the veterans' increases and the mix of NASA programs.

-- HR 12505, Solar Power Research and Development Act

Tuesday - 4 suspensions:

1. HR 11553, Reclamation Dams Authorization
2. HR 11226, Water Research and Development Act
3. HR 11655, Water Resources Planning Act
4. HR 12874, Solar Photovoltaic Research, Development and Demonstration Act

-- HR 12932, Interior Appropriations - "The Administration opposes the bill, unless it is amended to reduce many of the discretionary increases to the President's budget."

-- HR 11493, Amtrak Improvements Act

Wednesday

-- HR 12931, Foreign Assistance Appropriations - "The Administration supports the bill, but is concerned about the large reductions made by the Committee. The Administration will oppose any attempts to further reduce the bill on the House floor."

Thursday

-- Continue Foreign Assistance Appropriations for complete consideration.

-- HR 13125, Agriculture Appropriations - "The Administration opposes the bill, unless it is amended to reduce many of the discretionary increases to the President's budget and to eliminate language constraining the President's ability to manage the Federal work force."

Friday

-- HR 12433, Housing and Community Development Act Amendments

-- HR 11253, Federal Statistical Control Act of 1978

*Watch
Spending
levels*

SENATE ACTIVITIES, WEEK OF JUNE 19

Monday

- HR 8410, Labor Law Reform

Tuesday

- Labor Law Reform - Cloture Vote

THE WHITE HOUSE
WASHINGTON

June 19, 1978

Frank Moore

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

cc: Jack Watson

CONG. ALLEN FUNERAL

THE WHITE HOUSE
WASHINGTON

June 19, 1978

MEMORANDUM FOR THE PRESIDENT

FROM:

FRANK MOORE *F.M./BR*
JIM FREE *J.F.*

SUBJECT:

Death of Rep. Clifford Allen (D-Tenn. 5)

*Frank - ch.
Work this
out - 9/1
help -
cannot
Rosalynn
90 -
J*

Rep. Clifford Allen passed away Sunday afternoon after an extended illness (complications following a heart attack). Rep. Allen is the first Member of the House of Representatives to die since you took office.

The House Leadership is taking two Air Force planes to Nashville, Tennessee, on Tuesday for the funeral, which will be held at 2:30 p.m. The House Leadership would like to know who will represent you at the funeral.

Rep. Allen's voting record for the Administration was one of the best in the South. He voted with us on the B-1, the Clinch River Breeder Reactor, and other tough issues for his region.

We would like to recommend that you designate a high-ranking Administration official and/or a member of the First Family to attend the funeral.

We suggest that the First Lady, Secretary Blumenthal or Ambassador Strauss attend on your behalf.

THE WHITE HOUSE
WASHINGTON

June 19, 1978

Stu Eizenstat

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

cc: Phil Wise
Fran Voorde

MEETING - NHI

THE WHITE HOUSE

WASHINGTON

June 19, 1978

Mr. President:

I think it is important that the following people meet with you for about 45 minutes this week to discuss our strategy on National Health Insurance and the very high political stakes involved:

The Vice President
Hamilton Jordan
Frank Moore
Jody Powell
Jerry Rafshoon
Anne Wexler
Stu Eizenstat

This meeting should be held as soon as possible so we can proceed with substantive work and the directive you asked me to draft.

✓ _____ Approve _____ Disapprove

Stu

Stu Eizenstat

*We seem to do
this every week*
J

THE WHITE HOUSE
WASHINGTON

June 19, 1978

Stu Eizenstat

The attached was returned in
the President's outbox. It is
forwarded to you for your
information.

Rick Hutcheson

WEEKLY DPS REPORT

THE WHITE HOUSE

WASHINGTON

June 16, 1978

9

MEMORANDUM FOR: THE PRESIDENT
FROM: STU EIZENSTAT *She*
SUBJECT: Domestic Policy Staff
Weekly Status Report

JUSTICE

Stanford Daily Case: We are working with Justice on a memorandum to you which will propose a short-term study on how to respond to legislation introduced in Congress which would bar or regulate searches of the press and other third parties not accused of crimes.

LEAA Reauthorization Legislation: We are working with Justice and OMB to finalize legislation. You will receive final sign-off memo this week.

NATURAL RESOURCES

Water Policy: Presidential directives for policy implementation are in preparation.

Water Projects: Efforts to delete unbudgeted water projects in the House Appropriations bill were unsuccessful, although we obtained a veto-sustaining vote. We will work with Frank Moore and the agencies to focus on Senate action.

OCS: Conference continuing next week.

Deep Seabed Mining: Working with OMB and agencies to prepare for floor action.

Whaling: Working with agencies to prepare for International Whaling Commission meeting in late June. Votes on a ten-year moratorium and bowheads are on agenda.

Nonfuel Minerals Study: After successful efforts to pare down and focus the study, the Cabinet-level Committee (Policy Coordinating Committee) has approved a detailed study plan.

AGRICULTURE AND RURAL DEVELOPMENT

Sugar Policy: We have met with Agency representatives and are preparing briefing materials for your meeting with a group of Senators next Thursday.

Sugar Proclamation: Another Presidential sugar proclamation must be issued shortly, probably setting a slightly higher fee to offset the increasing gap between the world price and the domestic support level. Secretary Bergland will call for public comment on this early next week.

Anti-Inflation Timber Study: A report to you is expected next week.

I don't believe it!

URBAN POLICY

National Development Bank legislation to be announced by the Vice President on Tuesday at the Conference of Mayors Convention in Atlanta. Once this is completed, all urban policy legislation will have been submitted to Hill.

Anne Wexler and I have developed a 30-page summary of current status of urban policy that will be distributed to all Mayors, Congressmen and other officials. It demonstrates that the Administration has made substantial progress in implementing urban policy.

We expect the urban policy Executive Orders to be cleared by the end of the month and ready for your announcement.

ENERGY

Solar Policy Domestic Review: Proceeding on schedule, public meetings have begun.

National Energy Act (NEA): Strategy for NEA complete. Also working with Anne Wexler and Jerry Rafshoon and Landon on public strategies. Will be making recommendations to you for further involvement.

Nuclear Waste Management: Continuing to work with Interagency Task Force on development of policy options and recommendations. Three regional hearings have been set up in July to solicit public comment.

Oil Pricing: Working with Energy, CEA, NSC, et al. on oil pricing scenarios and relationship to national security.

California Heavy Crude: Announced 6/15.

CRBR Agreement with the Congress: Meeting held with nuclear and utility industry representatives may produce some neutralization of CRBR opposition although outcome not yet certain. Senate Energy Committee still marking up. Next session scheduled for June 20.

HUMAN RESOURCES

Pension Commission: Draft memo with recommended Commission members prepared last week for signature by DPS and OMB. We are awaiting OMB and Personnel comments before sending you a final version. Executive order, legislation, press release, and letters to the Hill are ready.

National Health Insurance: Working with HEW, OMB and CEA to prepare directive to Secretary Califano.

Hospital Cost Containment: Bill may be reported by House Commerce Committee this week.

HOUSING AND COMMUNITY DEVELOPMENT

New York City Financing: The Senate Banking Committee approved \$1.5 billion in long-term guarantees for New York City by a vote of 12-3. The Committee attached several amendments which are somewhat restrictive and which the Administration will seek to remove in Conference. The timing of Senate floor action is uncertain, but it is necessary that legislation be enacted by the end of July.

Housing for the Elderly: Memorandum discussing productivity problems in housing for the elderly to be submitted to you by Monday, June 19.

THE WHITE HOUSE
WASHINGTON

June 19, 1978

Stu Eizenstat

The attached was returned in
the President's outbox. It is
forwarded to you for your
information.

Rick Hutcheson

cc: Frank Moore
Hamilton Jordan

LABOR LAW REFORM BILL

THE WHITE HOUSE

WASHINGTON

June 19, 1978

MEMORANDUM FOR:

THE PRESIDENT

FROM:

STU EIZENSTAT
BILL JOHNSTON

Stu

SUBJECT: Labor Law Reform Bill

As you know, the labor law bill is in trouble --- it appears that it will be more difficult to get the additional two Senators needed to invoke cloture than had been originally thought. If cloture cannot be achieved next week, the only alternatives are to weaken the bill significantly or to have it pulled from the calendar. While we obviously would prefer a less difficult situation, the present circumstances do present us with an unusual opportunity to show the depth of our commitment to labor.

To the labor unions, this bill is the most important one Congress has considered in a great many years. We recognized that fact last year, and worked closely with the AFL-CIO in developing the bill and in devising legislative strategy. Everything that we have heard indicates labor is very satisfied with our efforts thus far. The Administration has done, we believe, a good job in working with the Congressional leadership and with labor on the bill.

Nonetheless, we think your own standing with the AFL-CIO and other unions would be greatly enhanced if, at this critical juncture, you publicly become more involved in the effort to get cloture. Such an effort would be long remembered by the labor unions, especially if cloture is obtained. To the extent that we may not be able to fully satisfy labor on issues like National Health Insurance, we will have built a recent reservoir of good will with the labor movement. I do not think there is much political downside to a more visible presence in this effort by you: the business groups already know of your position on the bill, and they are unlikely to regard us any more highly if you stay away from more public involvement.

We recommend that (1) you call George Meany or Lane Kirkland to express your concern and solicit their advice about how the remaining votes can be obtained. Such a consultation effort with labor would be genuinely appreciated and would become well-known in the labor community; 2) you meet individually with Senators Sparkman, Long, Bumpers and Zorinsky. *done*

In sum, if you take actions such as these, word will no doubt spread that you are fighting for labor on this issue, and there will be measureable political benefits as a result.

cc: Hamilton Jordan
Jody Powell
Jerry Rafshoon

*Called Bumpers,
Hollings, Byrd,
Ray Marshall,
Geo Meany -*

J

Congressional Liaison
Comment

THE WHITE HOUSE

WASHINGTON

19 June 1978

MEMORANDUM FOR

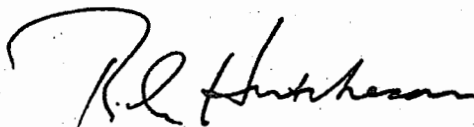
THE HONORABLE ALAN K. CAMPBELL
Chairman, Civil Service Commission

Re: President's Award for Distinguished
Federal Civilian Service

The President has approved the five "upper group" nominees you submitted for the President's Award for Distinguished Federal Civilian Service. He also approved a sixth award for Ellsworth Bunker.

Although the President will not be able to present the awards personally, the Vice President has agreed to present the Awards in his behalf.

The President also approved sending letters of commendation to the five "lower group" nominees you submitted.



Rick Hutcheson
Staff Secretary

bcc: The Vice President
Zbig Brzezinski
Greg Schneider

THE WHITE HOUSE

WASHINGTON

14 June 1978

TO: THE PRESIDENT

FROM: RICK HUTCHESON *R.H.*

SUBJECT: President's Award for Distinguished
Federal Civilian Service

Pursuant to Executive Order 12014, Chairman Scotty Campbell of the C.S.C. has recommended for your approval 5 persons to receive the 1977 Awards (gold medal & certificate), from among the nominees submitted by heads of departments and agencies. Campbell's memo is at Tab A. The 5 nominees he recommends are at Tab B.

☒ approve nominees at Tab B ☐ disapprove
☐ other _____

Campbell also recommends that you send letters of commendation to the 5 "runner-ups" at Tab C.

☒ approve letters to runners-up ☐ disapprove

After the C.S.C. completed work on its recommendations, the State Department forwarded the nomination of Ambassador Ellsworth Bunker (Tab D). Campbell comments: "Although this nomination arrived too late to be evaluated with the others, I suggest that it be included with those forwarded to the President for his consideration. While generally not more than 5 awards are presented, there is precedent for granting 6 when the quality of nominees warrants." (In the past, awards were given to 5 persons on 8 occasions, and to 6 persons on 4 occasions.)

☒ approve ☐ disapprove a 6th Award
for Ellsworth Bunker

Campbell recommends that you present these awards personally. Phil and Fran believe your schedule does not permit you to do this. The Vice President has agreed to present the awards in your stead.

☐ President ☒ Vice President to present Awards

Additional background information on the Awards is attached at Tab E.

TAB A
Campbell Memo



UNITED STATES CIVIL SERVICE COMMISSION

WASHINGTON, D.C. 20415

JUN 6 1978

IN REPLY PLEASE REFER TO

YOUR REFERENCE

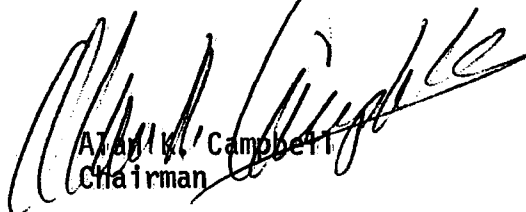
MEMORANDUM FOR THE PRESIDENT

In accordance with the responsibilities assigned to me under Executive Order 12014, I have completed final screening of the candidates recommended by the heads of departments and agencies for the President's Award for Distinguished Federal Civilian Service.

This award, which was established in 1957, represents the highest honor that may be awarded to a member of the Federal career service. The award is solely honorary in nature, taking the form of a gold medal and certificate. Its value to the recipients is derived from the fact that these awards traditionally are presented by the President to generally not more than five truly distinguished individuals.

Attached are my recommendations on the five persons I believe merit this honor along with five others who are very strong candidates. I would appreciate your indicating which of these individuals you wish to honor. In addition to the recognition given in the form of the medal and certificate to those selected to receive the President's award, I recommend that you sign brief letters to the finalists. A draft of such a proposed letter is attached along with background material.

Although I strongly recommend that you personally present the awards, should your schedule not permit you to do so you may wish to consider having Vice President Mondale make the presentations. Following your approval, we will be pleased to assist in the arrangements for the ceremony.


Alan K. Campbell
Chairman

Attachments

President's Award (attached) ☐ approved for Presidential Ceremony ☐ Disapproved

☒ approved for Vice Presidential Ceremony ☐ Disapproved

TAB B
Recommended
1977 Recipients

1977 President's Award for Distinguished Federal Civilian Service

Upper Group

Mr. Philip C. Habib
Under Secretary of State
for Political Affairs
(Career Minister)
Department of State

Mr. John McGuire
Chief, Forest Service
Executive Level V
Department of Agriculture

Mr. William H. Phillips
Chief, Flight Dynamics and
Control Division
National Aeronautics and
Space Administration

Mr. Stanley Sporkin
Director, Division of
Enforcement
Securities and Exchange
Commission

Dr. Rosalyn S. Yalow
Senior Medical Investigator
Veterans Administration

1977 PRESIDENT'S AWARD FOR DISTINGUISHED FEDERAL CIVILIAN SERVICE

Philip C. Habib
Under Secretary of State for
Political Affairs (Career
Minister)

Career Service
29 years

Service Recognition
1977 - Department of State
Distinguished Honor Award

External
1970 - NCSL Career Service Award
1969 - Rockefeller Public Service
Award

Mr. Habib's indispensable contributions to the termination of hostilities in Indochina, the maintenance of peace in Korea, the development of relations with African States, and in the search for peace in the Middle East, represent a unique and distinguished contribution to the Nation. He is the highest ranking officer of the Foreign Service of the United States. Because of his demonstrated capabilities successive Presidents and Secretaries of State have depended on him in ever-wider ranges of public questions. His personal and professional qualities have won the confidence of leading statesmen abroad to an extent remarkable in the annals of diplomacy. Mr. Habib's total dedication to public service, even at considerable cost to his health, has set an example to others throughout the Foreign Affairs community. He is an acknowledged leader of America's professional diplomatic service and a public servant in every sense of the term.

John R. McGuire
Chief, Forest Service
Executive Level V
Department of Agriculture

Career Service
38 years

Service Recognition
1974 - Department Distinguished
Service Award

(two external awards granted by
private organizations)

As Chief of the Forest Service, with responsibility for the management and protection of one-third of the Nation's land, he has taken new directions in balancing national needs against resource capabilities. He developed plans that combine the traditional goals of resource management with the improvement of rural and community environmental quality, the welfare of disadvantaged people, and the growth of scientific forestry. He directed studies and recommendations that led to the Forest and Rangelands Renewable Resources Act of 1974, and the National Forest Management Act of 1976, far-sighted acts that will ensure desirable use and continuing productivity of National Forests. This has been accomplished through his exceptional leadership amid a national controversy over conservation, environmental, social, and industrial needs.

William H. Phillips
Chief, Flight Dynamics
and Control Division
National Aeronautics and Space Administration

Career Service
37 years

Service Recognition

- | | |
|---|---|
| 1964 - Member of group receiving Presidential citation for economy improvements | 1968 - NASA Lunar Orbiter Project Group Achievement Award |
| 1967 - NASA Medal and Service Award for Exceptional Scientific Achievement | 1969 - Special Achievement Award |

External Recognition

AIAA Lawrence Sperry Award - outstanding young man in aeronautical engineering - 1944

Mr. Phillips has made highly significant theoretical and practical contributions to development of aircraft and spacecraft from the Second World War through eras of jet and supersonic aircraft development, early space flight and on into the present space shuttle era. He is recognized as an outstanding authority on guidance control and flying qualities of aerospace vehicles. His early work with the organization led to development of basic specifications for flying qualities which were adopted by Air Force and Navy, greatly improving aircraft safety and military effectiveness. He developed the first theory of "roll coupling" of aircraft--a milestone in understanding sudden uncontrolled departure of rapidly rolling high-speed aircraft; researched the first successful gust-alleviation system; and did pioneer research on power controls for high speed aircraft. Under his leadership, research programs in flying qualities, operating problems, man-machine interactions and simulation, produced significant reports unprecedented in quality, quantity, and scope. Subsequent research, directed to primarily space-oriented work, resulted in basic contributions to the Gemini and Apollo programs in guidance systems, rendezvous, navigation, and lunar landing.

Stanley Sporkin
Director, Division of Enforcement, GS-18
Securities and Exchange Commission

Career Service
17 years

Service Recognition
1969 - Supervisory Excellence Award
1971 - Distinguished Service Award

External: NCSL Career Service Award,
1976

Mr. Sporkin has been an outstanding attorney at SEC for many years. He has created unique and highly effective programs to prevent and correct violations of the Federal securities laws thus contributing to investor confidence in the Nation's securities markets. Through his leadership, enforcement objectives have been achieved by emphasis on remedial, as opposed to punitive, measures. He was responsible for the management fraud program (to fix responsibility for misuse of public stockholders funds) through which the investing public could be protected from such future abuses, and which has caused Congress, Government organizations, and several world bodies to focus on the problem. As a result, there has been a fundamental re-examination of the private sector's role in directing corporate enterprise and widespread recognition of the need to strengthen and improve corporate governance. Mr. Sporkin's expertise is widely recognized and his advice and services are sought frequently. Keenly aware of the need to develop and maintain high quality staff, he initiated and encouraged one of the most comprehensive law student training programs in the Federal government.

Dr. Rosalyn S. Yalow
Senior Medical Investigator, GS-16
Veterans Administration

Career Service
30 years

Service Recognition
1975 - VA Exceptional
Service Award

External Recognition

1977 - Nobel Prize in Medicine 1961 - Federal Woman's Award
(Plus other recognition by private organizations).

Dr. Yalow has been associated with the Veterans Administration Hospital in the Bronx for 30 years. Her extensive knowledge of physics, mathematics and chemistry has enabled her to make many contributions to the advance of medical science. She is a gifted and incisive lecturer, an advisor to important committees in the medical sciences, a member of the editorial boards of several journals, and has helped train and advise many medical investigators. Her work was recognized in 1977 by the award of the 1977 Nobel Prize for Medicine (shared with a co-worker) for their discovery of the technique of radioimmunoassay, as well as in recognition of her other research achievements over the years. This technique, in use in over 4,000 laboratories in this country and thousands abroad for identifying and measuring concentration of hundreds of substances in the blood, tissue extracts and other biological fluids of the body, is considered one of the most important advances in twenty years in basic research applied directly to clinical medicine.

TAB C
Runner-ups

1977 President's Award for Distinguished Federal Civilian Service

Lower Group

Dr. Dayton L. Alverson
Fishery Biologist, GS-16
Director, N.W. & Alaska
Fisheries Center
Department of Commerce

Dr. Alan Berman
Director of Research
Naval Research Lab.
Department of Defense

Dr. Francis J. Mulhern
Administrator, Animal and
Plant Health Inspection Service
Department of Agriculture

Mr. Gerald M. Truszynski
former Associate Administrator for
Space Tracking and Data Systems
National Aeronautics and Space
Administration

Dr. Francis N. Waldrop
Deputy Administrator
Alcohol, Drug Abuse, and
Mental Health Administration
Department of Health, Education,
and Welfare

THE WHITE HOUSE

WASHINGTON

I am pleased to extend my warm congratulations to you on being nominated for one of the 1977 President's Awards for Distinguished Federal Civilian Service.

~~Although not selected for the award,~~ ✓ you were one of a very few in the group of finalists. This is a high honor ~~in itself~~ and is indicative of the outstanding contribution you are making to your organization and to the Nation.

ok
J

The effectiveness of our government depends on the ability and dedication of federal employees who carry out the policies and make the programs work. I am proud of your accomplishments and I hope you will continue to provide leadership as a member of the Federal career service.

Sincerely,

JIMMY CARTER

Gerald M. Truszynski

**former Associate Administrator for
Space Tracking and Data Systems
GS-18 (equivalent)**

National Aeronautics and Space Administration

Career Service

33 years

Service Recognition

1964 - NASA Group Achievement Award

**1969 - NASA Distinguished Service
Medal (2)**

**1978 - NASA Distinguished Service
Medal**

Mr. Truszynski has provided outstanding leadership in establishing an internationally pre-eminent telecommunications network for support of space-flight research. He has fostered other nations' participation in world-wide tracking activities and directed an unparalleled university-industry-government effort which led to development of a unique resource of the highest national value. As a direct result of his leadership, the U. S. Space Program has developed the world's most advanced operational system for communicating with vehicles in space (included have been such notable projects as the Apollo Lunar Landing, Skylab, planetary projects, the Landsat project, and a large number of scientific earth satellites used to conduct various scientific investigations). The outstanding success of the U. S. Space Program, and particularly the leadership achieved over the USSR in manned and outer-planet missions is attributed to a very significant degree to the continuous effectiveness of this ground system.

Dr. Francis N. Waldrop
Deputy Administrator, GS-18
Alcohol, Drug Abuse and Mental Health Administration
Department of Health, Education and Welfare

Career Service
24 years

Service Recognition

1956, 1961 - Cash Awards Superior Performance
1961 - Superior Service Award

1964 - Distinguished Service Award
1964 - Quality Increase

Dr. Waldrop has played a major role in shaping National health policies and is widely recognized as a leader in the field of health. As Deputy Administrator of ADAMHA he helps oversee three of the most complex health problems in contemporary American life. Some of the highlights of his accomplishments include his imaginative leadership of the behavioral science programs at St. Elizabeth's hospital which resulted in the inclusion of such unique programs as criminal behavior and communications research in a psychiatric setting, and the program in human operant conditioning which is one of the few in this field conducted in a mental hospital setting. Dr. Waldrop's efforts to orient training of personnel away from a "service" attitude to one of quality care have had considerable impact on patient care. He played a major role in establishing the National Center for Mental Health Sciences, and, during the past several years, he has contributed significantly to the continuing effort to articulate a unified health manpower policy, participating in discussions, decisions and recommendations in policy formulation as well as in drafting some of the health legislation language. In addition, Dr. Waldrop has provided firm and positive guidance and reassurance to his staff during trying periods of uncertainty and change.

Dr. Dayton L. Alverson
Fishery Biologist, GS-16
Director, N. W. & Alaska Fisheries Center
Department of Commerce

Career Service
30 years

Service Recognition

- | | |
|--|--|
| 1964 - Bureau Commercial Fisheries
Outstanding Scientific
Publication Award | 1971 - NOAA Award for Scientific
Research and Achievement |
| 1964 - Outstanding Federal Employee,
Seattle, (by Federal Executive
Board) | 1974 - Commerce EEO Special
Achievement Award |
| 1966 - Department of Interior
Distinguished Service Award
for Scientific Achievement | 1975 - NOAA Unit Citation
1976 - Commerce Gold Medal Award

(plus external awards from private
groups) |

Dr. Alverson is a recognized world authority in his field with expertise in distribution, migration, systematics, ecology, and growth of marine fishes and shellfishes, serving on numerous national and international committees and commissions. He has contributed widely to knowledge of fisheries assessment techniques, management theories, population dynamics, and trophodynamics of food chains systems. Dr. Alverson's leadership in attacking the inadequacies of management theory and practice in international fisheries, and suggesting better alternatives has contributed to a new orientation for wise use and conservation of living marine resources. Many of Dr. Alverson's concepts have been incorporated into the Fishery Conservation and Management Act of 1976. More recently, as a member of a Regional Field Team of the Presidential Task Force on Fisheries, Dr. Alverson was able to obtain a pledge of peace for the 1977 fishing season from Indian and non-Indian fishing groups in the Pacific Northwest who are engaged in dispute over the decision to allocate one-half of salmon and steelhead catches to Indians.

Dr. Alan Berman
Director of Research
Naval Research Laboratory
10 USC 1581 - \$47,500

Career Service
15 years

Service Recognition
1969 - Navy Superior
Civilian Service Award
1973 - Department of Defense
Civilian Service Award

Dr. Berman's achievements have contributed significantly to both current and future national needs in electronics, materials and general sciences, space science and technology, and oceanology. Many of his significant contributions have been made in areas of high sensitivity and great national importance. Some of Dr. Berman's contributions include his work in connection with locating the lost nuclear submarine Scorpion, conduct of and action recommendations on a study of the anti-ship missile threat, participation in several major studies of the Defense Science Board (including a broad assessment of ocean control to determine future roles,

missions, and capabilities for the United States, Navy), major technical contributions as a member of the President's Science Advisory Committee's Naval Warfare Panel, a study on Coastal Zone and Marine Research and Engineering Development, service as Executive Director of the Study of the Cumulative Regulatory Effects on the cost of automotive transportation, several years service as consultant to the National Security Council and current service on a panel established by the Office of Science and Technology Policy of the Executive Office of the President. Dr. Berman has a realistic concept of research management and has carried out a number of major reorganizations at the Naval Research Lab to align available skills and resources to Navy and national requirements in executing the laboratory's mission.

Dr. Francis J. Mulhern
Administrator, Animal and Plant
Health Inspection Service, GS-18
Department of Agriculture

Career Service
33 years

Service Recognition
1960 - Department Superior Service
Award
1976 - Department Distinguished
Service Award

(numerous external awards and
honors granted by private
organizations)

Dr. Mulhern has established a position of national and international leadership in the control and eradication of diseases and pests that threaten agricultural production, particularly throughout the Western Hemisphere. He has exerted a strong influence on international agreements and action to protect world health of livestock and crops. He personally negotiated with Central American countries to prevent the spread of foot and mouth disease into North America and is responsible for the Congressional authority granted to the Department of Agriculture to cooperate throughout the Western Hemisphere to control destructive plant pests. Through his personal efforts, this country now has membership in the only international organization that regulates and reports on animal products and diseases. Among other achievements during his career, Dr. Mulhern has helped eradicate foot and mouth disease in Mexico, and swine disease which threatened the stability of the swine industry in the United States; administered the hog cholera eradication campaign that rid the country of the most destructive swine disease ever to strike the United States; directed a program that eradicated a form of sleeping sickness in horses; administered the emergency program to eradicate Newcastle disease among poultry flocks in Southern California that could have been disastrous to the national poultry industry; and has taken personal leadership in the current joint campaign to eradicate screwworms.

TAB D
Ellsworth Bunker
nomination from
State Dept.

DEPUTY UNDER SECRETARY OF STATE
FOR MANAGEMENT
WASHINGTON

May 26, 1978

Dear Mr. Schneiders:

With the approval of Secretary Vance, I am pleased to submit the nomination of Ambassador at Large Ellsworth Bunker for the President's Award for Distinguished Federal Civilian Service.

Ambassador Bunker's accomplishments during his years of public service are legendary. I am sure you will agree that there is no more fitting person in the United States Government to receive the Award.

Sincerely,

A handwritten signature in dark ink, appearing to read "Ben H. Read", written in a cursive style.

Ben H. Read

Mr. Gregory Schneiders,
Director,
White House Projects,
The White House.

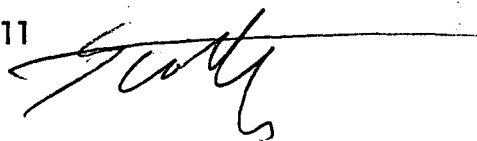
Memorandum

Subject: President's Award for Distinguished Federal
Civilian Service

Date: JUN 6 1978

In Reply Refer To:

From: Alan K. Campbell
Chairman



Your Reference:

To: Richard G. Hutcheson III
Staff Secretary
The White House

Attached is a letter from Honorable Ben H. Read, Deputy Under Secretary for Management, Department of State, nominating Ambassador Ellsworth Bunker for the President's Award for Distinguished Federal Civilian Service. Although this nomination arrived too late to be evaluated with the others I suggest that it be included with those forwarded to the President for his consideration. While generally not more than five awards are presented, there is precedent for granting six when the quality of nominees warrants.

Attachment

May 25, 1978

Ellsworth Bunker
Ambassador at Large

Ambassador Bunker was born in Yonkers, New York, on May 11, 1894. He was graduated from Yale University in 1916 and has received a number of honorary degrees.

In 1927 he was named a director of the National Sugar Refining Company, became president of the company in 1940, and chairman of the board in 1949. He also served as director or trustee in numerous other corporations. During the Second World War he served as chairman of the Cane Sugar Refiners War Committee. He served as President of the American National Red Cross from 1953 to 1956.

In 1951 President Truman appointed him American Ambassador to Argentina. He became Ambassador to Italy in 1952 and Ambassador to India in 1956-61, with concurrent accreditation to Nepal in 1956-59. In 1962 he successfully mediated the dispute between Indonesia and the Netherlands over West New Guinea. In 1963, he worked out a disengagement agreement between King Faisal of Saudi Arabia and President Nasser of the United Arab Republic in the Yemen civil war.

Ambassador Bunker served as United States Representative to the Organization of American States (OAS) from 1964 to 1966. He was instrumental in reaching a settlement of the Dominican crisis in 1965-66.

In April 1967 he was named Ambassador to the Republic of South Vietnam, where he served until 1973. In September 1973 he was appointed Chief United States Negotiator for a new Panama Canal Treaty.

Ambassador Bunker was married to Harriet Allen Butler, who died in 1964. He has three children: Ellen, John, and Samuel. There are 12 grandchildren and one great grandchild.

In 1967 Ambassador Bunker married Carol Laise, then American Ambassador to Nepal, later Assistant Secretary of State for Public Affairs, and subsequently the Director General of the Foreign Service. Ambassador Laise retired from the Foreign Service in December 1977.

May 25, 1978

Summary of Achievement

Ambassador Ellsworth Bunker's accomplishments in the field of diplomacy are legendary. The indispensable part he played in the negotiation and ratification of the new Panama Canal Treaties is his crowning achievement. But it is only one of many in a career of over twenty years of distinguished federal service.

He began that illustrious career in 1951, at the age of 57, as Ambassador to Argentina. There he was able to convert a situation in which relations with the United States were severely strained into one characterized by correctness and mutual respect. In his subsequent assignment as Ambassador to Italy, beginning in 1952, he played an important role in laying the foundation for the solid economic progress that country made in the next decade. As Ambassador to India from 1956 to 1961 he won the confidence and affection of the Indian people and their leaders and brought about a significant improvement in U.S.-Indian relations.

Ambassador Bunker represented the United States as Ambassador to Vietnam for six years, from 1967 to 1973. He carried out his country's policies with great skill, providing outstanding leadership during a most difficult period.

Ambassador Bunker has also been active in the work of international organizations in behalf of international peace and security. During his tenure as Ambassador to the Organization of American States from 1964 to 1966, Ambassador Bunker was a key figure in resolving the bitter dispute between the United States and Panama and in restoring diplomatic relations between the two countries.

Earlier, in 1962, he successfully mediated the dispute between Indonesia and the Netherlands over West New Guinea at the request of the United Nations. In 1963, as a Consultant to the Secretary of State, he worked out a disengagement agreement between King Faisal of Saudi Arabia and President Nasser of the United Arab Republic in the Yemen Civil War. And in 1965-66, as a member of the OAS ad hoc committee he was instrumental in reaching a settlement of the Dominican crisis.

Taken as a whole, the achievements listed above represent a career of distinguished diplomatic service which has few parallels in American history.

May 26, 1978

Additional Detail

Ellsworth Bunker's outstanding achievements as Ambassador and Negotiator are a result of the extraordinary combination of personal qualities he has brought to his work. These qualities include a keen intelligence, superb negotiating skill and judgment, complete dedication, perseverance, patience, a deep appreciation of and consideration for the needs of others, coolness under fire, integrity, the ability to inspire trust and confidence, and a magnificent sense of humor.

While additional detail to support Ambassador Bunker's nomination seems unnecessary, a few illustrative examples are cited.

-- During his tenure as Ambassador to Argentina he refused to react to President Peron's attempts to pursue his Third Force proposal with the United States in provocative ways. This strategy, which became known as one of "masterful inaction," was successful in that Peron finally stopped his provocative actions.

-- When acting as moderator in the dispute between the Netherlands and Indonesia over West New Guinea, Ambassador Bunker sensed that something more than a brokering effort was needed. He then devised a brilliantly conceived proposal of his own which became the basis for the final settlement.

-- The disengagement agreement Ambassador Bunker worked out between King Faisal of Saudi Arabia and President Nasser of the United Arab Republic in the Yemen civil war was made possible because he had earned King Faisal's trust and confidence. On signing the agreement proposed by Ambassador Bunker, Faisal said he did so despite his distrust of Nasser, because the Ambassador recommended it.

-- In the tense period following the severe rioting in Panama and the Canal Zone in 1964, which caused over 20 deaths and led Panama to break relations with the United States, Ambassador Bunker, working quietly and unofficially behind the scenes, personally negotiated the language of the Joint Statement by Presidents Johnson and Chiari which led to the restoration of relations. This made it possible to begin the negotiations for the new Panama Canal Treaties, which were signed 14 years later.

-- Ambassador Bunker's role in the negotiation of the Panama Canal Treaties is well known. His personal impact is demonstrated by his success in avoiding a breakdown in the negotiations despite repeated obstacles arising because of the emotional involvement in both countries, and then by his equally significant success in bridging, together with Ambassador Linowitz, the last and most intractable differences which remained.

May 26, 1978

Other Significant Awards

In 1954, Ambassador Bunker received the award of Grand Cross Knight of the Republic of Italy; in 1963, he was awarded the Presidential Medal of Freedom with Special Distinction. He became the first person to receive a second Medal of Freedom with Special Distinction in 1968 for his work in resolving the Dominican crisis, his services as a representative to the OAS, and for his effective leadership of American activities in Vietnam. In February 1970, Ambassador Bunker received the American Statesman Award from the Freedoms Foundation at Valley Forge; in May 1970 he received the Sylvanus Thayer medal from the Association of Graduates, United States Military Academy; and in October 1974, he was awarded the George Catlett Marshall Medal by the Association of the United States Army. In April 1978, Ambassador Bunker received the first Jit Trainor Award for Distinction in the Conduct of Diplomacy from the Institute for the Study of Diplomacy, School of Foreign Service, Georgetown University; in May 1978 he received the annual Award for Distinguished Diplomacy from the Federal City Club of Washington and the Foreign Service Cup which is awarded annually by the Diplomatic and Consular Officers, Retired, Inc. (DACOR) to a person who during his career has made an outstanding contribution to the conduct of foreign relations in the United States.

May 25, 1978

PROPOSED PRESIDENTIAL CITATION

For more than a quarter of a century, under our last seven Presidents, Ellsworth Bunker, Ambassador at Large, has advanced the interests of this country in peace and in war, in the Old World and the New, with keen intelligence, superb negotiating skill and judgment, and complete dedication. His has been a career of distinguished diplomatic service seldom equalled in American history.

In successfully completing his task as United States Negotiator of the Panama Canal Treaties of 1978, Ambassador Bunker has made a unique contribution not only to a fair and just solution of a major problem of American foreign policy, but equally importantly, to the improvement of our relations throughout the Western Hemisphere and beyond it.

TAB E
Background Info
on the Awards

To view this document
in its entirety, please
contact the Jimmy
Carter Library



Presentation of
The President's Award
for Distinguished
Federal Civilian Service

1976

PRESIDENT'S AWARD FOR DISTINGUISHED FEDERAL CIVILIAN SERVICE

The award may be presented for the best achievements having current impact in improving Government operations or serving the public interest. These achievements shall exemplify one or more of the following:

- (a) Imagination in developing creative solutions to problems in Government; or
- (b) Courage in persevering against great odds and difficulties; or
- (c) High ability in accomplishing extraordinary scientific or technological achievement, in providing outstanding leadership in planning, organizing, or directing a major program of unusual importance and complexity, or in performing an extraordinary act of credit to the Government and the country; or
- (d) Long and distinguished career service.

The importance of the achievements to the Government and to the public interest shall be so outstanding that the employee is deserving of greater public recognition than that which can be granted by the head of the agency in which he or she is employed. Consideration for these awards should be extended to employees at all grade levels; however, individuals appointed by the President may only be nominated if they are serving in what may be considered to be a career position.

SUBMISSION AND REVIEW OF NOMINATIONS

Heads of the departments and agencies may nominate career employees of their own agency, or employees of other agencies when they have knowledge of their exceptional achievements. Nominations should be sent to: Chairman, U. S. Civil Service Commission, Room 350-H, Washington, D.C. 20415. Inquiries should be directed to the Office of Incentive Systems (632-5568).

Executive Order 10717, as amended by Executive Orders 10979 and 12014 established the President's Award for Distinguished Federal Civilian Service. The Chairman of the Civil Service Commission is directed to review recommendations for the Award and decide which of them warrant presentation to the President for his consideration.

PUBLICITY

No information is to be released on the nominations for the Award. After the President has made the Awards, departments and agencies are urged to give the widest possible publicity to the recipients.

THE PRESIDENT'S AWARD FOR DISTINGUISHED
FEDERAL CIVILIAN SERVICE

Executive Order 10717 as amended by E. O. 10979 and E. O. 11085

By virtue of the authority vested in me by the Government Employees' Incentive Awards Act, approved September 1, 1954 (68 Stat. 1112), and as President of the United States, it is ordered as follows:

Section 1. There is hereby established an honorary award for the recognition of distinguished service by civilian officers and employees of the Federal Government. The award shall be known as the President's Award for Distinguished Federal Civilian Service, and shall consist of a gold medal, the design of which accompanies and is hereby made a part of this Order, suspended on a ribbon of appropriate material and color, and accompanying appurtenances. Each medal shall be suitably inscribed, and an appropriate citation shall accompany each award.

Section 2. (a) The President's Award for Distinguished Federal Civilian Service shall be presented by the President to civilian officers or employees of the Federal Government for the best achievements having current impact in improving Government operations or serving the public interest. These achievements shall exemplify one or more of the following:

(1) Imagination in developing creative solutions to problems of government.

(2) Courage in persevering against great odds and difficulties.

(3) High ability in accomplishing extraordinary scientific or technological achievement, in providing outstanding leadership in planning, organizing, or directing a major program of unusual importance and complexity, or in performing an extraordinary act of credit to the Government and the country.

(4) Long and distinguished career service.

(b) The importance of the achievements to the Government and to the public interest shall be so outstanding that the officer or employee is deserving of greater public recognition than that which can be accorded by the head of the department or agency in which he is employed. Generally, not more than five awards shall be made in any one year. Presentation of the award shall be made at such times as the President may determine.

Section 3. There is hereby established the Distinguished Civilian Service Awards Board (hereinafter referred to as the Board), which shall consist of five members, appointed by the President from the Federal civilian service. The Chairman of the Board shall be designated by the President from the membership of the Board.

Section 4. The members of the Board shall serve at the pleasure of the President.

Section 5. The members of the Board shall serve as such without additional compensation. The Chairman of the Civil Service Commission, or his designated representative, shall serve as Executive Secretary of the Board, and the Civil Service Commission is requested to furnish the Board the necessary staff and other services.

Section 6. The Board shall advise and assist the President in the selection of persons to whom the award shall be tendered. In performing its functions, the Board shall carefully review recommendations submitted to it and decide which of them, if any, warrant presentation to the President, and shall transmit to the President, for his consideration, the names of those persons deemed by it to merit the award, together with its reasons therefor. Recipients for the award shall be selected by the President.

Section 7. The Board is authorized to prescribe the method and form for making nominations for this award, but the Board shall not recommend a nominee for the award without the concurrence of the head of the agency in which the nominee was employed at the time of the achievement for which the award is recommended.

Section 8. The Board shall be guided in the performance of its functions by the provisions of subsections (b) and (c) of section 304 of the Government Employees' Incentive Awards Act, and by any additional criteria established by the Board. Persons appointed by the President shall not be eligible for this award unless, in the opinion of the Board, they are currently serving in a career position.

Section 9. This Order shall become effective on July 1, 1957.

DWIGHT D. EISENHOWER

THE WHITE HOUSE

June 27, 1957

Amendments:

E. O. 10979 of December 12, 1961--JOHN F. KENNEDY

E. O. 11085 of February 22, 1963--JOHN F. KENNEDY

The President and the Prime Minister expressed their satisfaction with the agreement reached by the United States and Belgium on October 18, under which Belgium acquires a route to Atlanta in addition to the one already enjoyed to New York. The two leaders also endorsed the emphasis given by the new agreement to promoting low-fare scheduled service and liberalized charter arrangements over the Atlantic.

Prime Minister Tindemans offered the President his analysis of the state of the movement towards European unification. Specifically he mentioned the progress represented by direct election of the European Parliament, which is scheduled for 1978. The Prime Minister also underlined that Greece, Portugal, and Spain had all applied for membership in the Community. President Carter repeated that the United States remained unequivocally committed to European unity and a strong Community.

Prime Minister Tindemans expressed his view that the Community should be represented at Western summit meetings and involved in any followup. The President said that we fully support the principle of E.C. participation but believe the nature of that participation must be determined by the Community itself.

The Prime Minister and the President agreed on the importance of cooperative efforts to assist developing countries with sustaining economic growth and meeting the basic needs of their poor. In that context, Prime Minister Tindemans raised the issue of a major economic development program for Zaire to be implemented in the framework of a joint international effort, an issue which had been raised with the Belgian Government by President Mobutu in June. The President indicated that he supported the principle of such an aid program for Zaire, and he

expressed the hope that Belgium would continue to promote a joint program within a multilateral framework, in harmony with the important economic and reform measures now underway in Zaire.

The Prime Minister and the President noted the close harmony in the approaches of their two Governments to the CSCE review conference in Belgrade, and expressed their intent to consult closely on developments at the conference. They emphasized the need for a full, frank review of the entire Final Act, without polemics, and stressed the importance of human rights aspects. The Prime Minister and the President reiterated their support for participation at the conference by the Community.

President's Award for Distinguished Federal Civilian Service

Executive Order 12014. October 19, 1977

RELATING TO THE PRESIDENT'S AWARD FOR DISTINGUISHED FEDERAL CIVILIAN SERVICE

By virtue of the authority vested in me by the Constitution and statutes of the United States of America, and as President of the United States of America, the Distinguished Civilian Service Awards Board is hereby abolished and Executive Order No. 10717, as amended, is further amended by deleting Sections 3, 4, 5, 6, 7, 8 and 9 and by adding the following new Sections:

"Sec. 3. The Chairman of the United States Civil Service Commission shall advise and assist the President in selecting persons to receive this award. In performing this function, the Chairman shall carefully review nominations submitted pur-

Oct. 19

Administration of Jimmy Carter, 1977

suant to the provisions of Section 4 of this Order and decide which of them, if any, warrant presentation to the President. The Chairman shall thereupon transmit to the President the names of those persons who, in the opinion of the Chairman, merit the award, together with a statement of the reasons therefor. Recipients for the award shall be selected by the President.

"Sec. 4. The form and procedures for making nominations for this award shall be prescribed by the Chairman of the United States Civil Service Commission, in accord with the following principles:

"(a) The Chairman shall be guided in the performance of this function by the provisions of Section 4504 and 4505 of Title 5 of the United States Code, and by additional criteria which the Chairman may prescribe.

"(b) The Chairman shall not recommend any person for the award without the concurrence of the head of the agency in which that person was employed at the time of the achievement for which the award is recommended.

"(c) Persons appointed by the President are not eligible for this award unless, in the opinion of the Commission, they are currently serving in a career position."

JIMMY CARTER

The White House,
October 19, 1977.

[Filed with the Office of the Federal Register,
5:13 p.m., October 19, 1977]

NOTE: The Executive order was announced by the White House Press Office. It was not issued in the form of a White House press release.

United States Sinai Support Mission

Message to the Congress Transmitting a Report. October 19, 1977

To the Congress of the United States:

I am pleased to transmit herewith the Fourth Report of the United States Sinai Support Mission. It highlights the Mission's operation of the United States early warning system in the Sinai and the relationship of the system to the overall disengagement arrangements of the Agreement signed by Egypt and Israel on September 4, 1975—the Sinai II Agreement. This report is provided to the Congress in conformity with Section 4 of Public Law 94-110 of October 13, 1975.

Since the beginning of operations on February 22, 1976, there have been no serious intrusions into the area of the early warning system by either party. Some 40 minor or accidental intrusions have been detected and reported to both sides and to the United Nations, but none of them appears to have had any hostile purpose.

The Director of the Sinai Support Mission raised with senior Egyptian and Israeli officials the Congressional interest in the feasibility of substituting nationals of other countries for some of the Americans working in the Sinai. They expressed strong opposition to this proposal as, in their view, such a change would create difficult problems for their governments and risk upsetting arrangements which are now working to their complete satisfaction. Both parties continue to make clear their full support for the role of the United States in maintaining the disengagement arrangements in the Sinai.

At a time when we are engaged in intensive discussions to help Israel and the

PRESIDENT JIMMY CARTER
EMERGENCY PREPAREDNESS REORGANIZATION
MONDAY, JUNE 19, 1978

1

RESPONSIBILITY FOR EMERGENCY PREPAREDNESS CONCERNING CIVIL
DISASTERS RESTS MAINLY WITH STATE GOVERNMENTS, BUT OBVIOUSLY THE
FEDERAL GOVERNMENT CAN AND DOES ASSIST IN PREPARING FOR AND DEALING WITH
THE EFFECTS OF NATURAL AND MAN-MADE DISASTERS.

(--OVER--)(WHEN I WAS GOVERNOR,.....)

2

WHEN I WAS GOVERNOR, I SAW DURING SEVERAL EMERGENCIES HOW
IMPORTANT IT WAS FOR GOVERNMENTS TO COOPERATE IN CRISIS SITUATIONS,
AND I WANT TO BE CERTAIN THAT THIS ABILITY TO WORK TOGETHER IS
INCREASINGLY CLEAR AND UNOBSTRUCTED.

ONE OF THE PROBLEMS STATE AND LOCAL OFFICIALS HAVE HAD TO FACE IS
THE COMPLEXITY, CONFUSION AND FRAGMENTED NATURE OF FEDERAL PROGRAMS.

(--NEW PAGE--)(THE GOVERNORS HAVE BEEN.....)

THE GOVERNORS HAVE BEEN VOCAL AND UNANIMOUS IN CALLING FOR
REORGANIZATION.

TODAY I AM SUBMITTING TO CONGRESS A PROPOSAL WHICH MEETS THEIR
NEEDS.

IT WILL CONSOLIDATE FIVE EXISTING FEDERAL AGENCIES AND SIX
ADDITIONAL DISASTER-RELATED RESPONSIBILITIES INTO A SINGLE STRUCTURE.

(--OVER--)(IT WILL MERGE PROGRAMS.....)

IT WILL MERGE PROGRAMS INVOLVED WITH PREPAREDNESS, MITIGATION
AND RESPONSE TO NATIONAL EMERGENCIES.

WE HAVE BEEN TRYING TO ACCOMPLISH SEVERAL VERY IMPORTANT OBJECTIVES:

-- WE WANT TO MAKE A SINGLE AGENCY RESPONSIBLE FOR THESE EFFORTS.
THIS WILL MAKE GOVERNMENT MORE ACCOUNTABLE AND WILL IMPROVE COOPERATION
AMONG GOVERNMENTS.

(--NEW PAGE--)(--WE WANT TO USE EMERGENCY.....)

-- WE WANT TO USE EMERGENCY RESOURCES FOR BOTH NATURAL DISASTERS
AND CIVIL PREPAREDNESS. THIS WILL REDUCE WASTE AND INEFFICIENCY
IN GOVERNMENT OPERATIONS.

-- AND WE WANT TO BRING TOGETHER, FOR THE FIRST TIME, PROGRAMS AIMED
AT PREVENTING AND MITIGATING THE EFFECTS OF POTENTIAL NATURAL DISASTERS
(SUCH AS FLOODS AND FIRE), WITH THOSE DESIGNED TO DEAL WITH THESE
DISASTERS IF THEY SHOULD OCCUR.

(--OVER--)(BY CONSOLIDATING EMERGENCY FUNCTIONS....)

BY CONSOLIDATING EMERGENCY FUNCTIONS INTO A SINGLE AGENCY,
REPORTING DIRECTLY TO ME, WE WILL MAKE OUR READINESS PROGRAMS MORE
VISIBLE, AND WE CAN INTEGRATE THESE BETTER WITH PROGRAMS OF STATES
AND LOCAL GOVERNMENTS, PRIVATE INDUSTRY AND VOLUNTEER ORGANIZATIONS.

THE SECRETARY OF DEFENSE, ACTING WITH THE NATIONAL SECURITY
COUNCIL, WILL PROVIDE OVERSIGHT OF THE NEW AGENCY'S CIVIL DEFENSE
PROGRAMS AND POLICIES.

(--NEW PAGE--)(I AM PLEASED THAT WE HAVE.....)

I AM PLEASED THAT WE HAVE ALREADY RECEIVED ENDORSEMENTS FOR THIS
REORGANIZATION PROPOSAL FROM THE NATIONAL GOVERNORS' ASSOCIATION,....THE
FIRE SERVICE ASSOCIATIONS,....THE U.S. CIVIL DEFENSE COUNCIL,....THE
NATIONAL ASSOCIATION OF STATE DIRECTORS FOR DISASTER PREPAREDNESS,....AS WELL
AS A COALITION OF VOLUNTARY ASSOCIATIONS ACTIVE IN DISASTER RELIEF.

WITH THIS BROAD SUPPORT FROM THE PUBLIC AND PRIVATE SECTORS, I HOPE
OUR PLAN WILL BE ENTHUSIASTICALLY RECEIVED BY THE CONGRESS.

#

3174

THE WHITE HOUSE
WASHINGTON

June 19, 1978

The Vice President
Stu Eizenstat
Hamilton Jordan
Tim Kraft
Bob Lipshutz
Frank Moore
Jody Powell
Jack Watson
Anne Wexler
Jim McIntyre
Hugh Carter

Re: Cabinet Summaries

The attached were returned in the
President's outbox today and are
forwarded to you for your personal
information.

Rick Hutcheson

EYES ONLY



THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE
WASHINGTON, D. C. 20201

June 17, 1978

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Weekly Report on HEW Activities

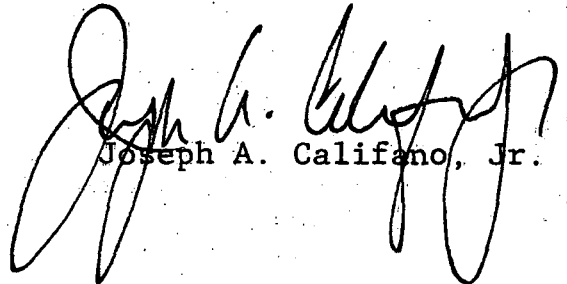
The following is my weekly report on significant activities in the Department of Health, Education, and Welfare:

- Cost Containment. We are still hanging in there. With the wage pass-through vote--and the defeat of energy, food and malpractice pass-throughs--we are now in a position to get the bill out of House Commerce next Tuesday. I am having breakfast with Dr. Tim Lee Carter on Monday to thank him for his support to date and urge him to stay with us--as a Republican he has resisted enormous pressure from his colleagues and although he opposed the wage pass-through, he has told us he will vote to report the bill out. His vote is crucial.
- Aging Regulation. In the margin of my last weekly report you asked why we did not go forward with proposed regulations under the Age Discrimination Act of 1975, even though the House last month had radically altered the meaning of the Act. The answer is that Senator Eagleton, who is our strongest ally in the Senate for turning the House vote around, thought that, as a matter of tactics, it would be better to delay publication of the proposed regulation until the Senate had acted (otherwise we might energize the aging groups). We acceded to his wishes.
- Bishop College. I met on Tuesday, June 13, with President Milton Curry of Bishop College to discuss the financial problems of that institution and the possibility of HEW assistance in resolving them.

As I mentioned when we talked about Bishop last week, the situation there is not merely financially desperate, but is clouded by a continuing FBI investigation focused on misappropriation of funds that has already yielded seven convictions. Within the next few days, I intend to release about \$400,000 for student assistance that has been held back because of Bishop's continuing failure to provide timely and accurate financial reports to HEW.

I will at the same time order an audit that will provide a framework of fact within which the Department can relate to Bishop in the future and inform the college of conditions it will have to meet in the future if it is to receive any additional Federal funds.

As you know, Bishop's fragile condition is symptomatic of the financial weakness of many of the nation's predominantly Black colleges, including some of the strongest and most significant. I have set up a special college assistance unit, led by the Deputy General Counsel, to try to anticipate trouble in these institutions before it becomes a crisis, and to develop better criteria and policy for assistance by HEW in the future. I will also talk personally with key people concerned with the future of the predominantly Black colleges in the next few weeks.



Joseph A. Califano, Jr.



Office of the Attorney General

Washington, D.C. 20530

June 16, 1978

Principal Activities of the Department of Justice for the Week of June 12 through June 16, 1978

1. Meetings and Events

The Attorney General spoke to a gathering of 150 municipal Mayors from Massachusetts at the request of Senator Kennedy; participated in a question and answer session with the U.S. Attorney's Office for the District of Columbia; attended a luncheon interview session with the Washington Star Editorial Board; and met with Congressman Conyers to discuss the Administration's white collar crime efforts, in anticipation of Congressional hearings on the subject in the near future.

2. Snepp Case

Trial in the breach-of-contract suit against former CIA analyst Frank Snepp, based on his publication of Decent Interval, is set for Tuesday, June 20. A verdict could be returned within days thereafter.

3. SWP Case

Earlier reports have discussed the current situation in this 5-year-old civil lawsuit based on alleged FBI break-ins, misdeeds by informants, and other activities against the Socialist Workers Party. The Attorney General has refused to comply with District Judge Thomas Griesa's order that the FBI reveal to plaintiff's attorney, Leonard Boudin, the names and files of 18 FBI informers. This refusal, which is consistent with similar stances by the Government officers in previous civil cases, is based on the potential damage to the informant programs of all law enforcement and intelligence-gathering agencies from any undercutting of the pledge of confidentiality given to every informant.

Because of the peculiarities of the Rules of Civil Procedure, the Attorney General cannot get appellate review of the merits of Judge Griesa's order without either (1) Judge Griesa's agreement, or (2) the Attorney General's refusing to comply and

accepting sanctions from Judge Griesa. Thus far Judge Griesa has refused to agree to appellate review and has threatened the sanction of contempt and imprisonment. The Solicitor General recently asked the Supreme Court to take the case and consider creating an exception to the strict Rules of Civil Procedure in order to avoid the unseemly spectacle of the Attorney General submitting to contempt simply to get appellate review of a legal question. On Monday the Supreme Court refused, three judges dissenting (one less than necessary to take the case).

Judge Griesa has called a hearing for June 27 on the question of appropriate sanctions. He still indicates that contempt and imprisonment is a real possibility, and Boudin has made clear that he will press for that sanction. The Rules of Civil Procedure provide several appropriate sanctions short of contempt, however, and Bob Fiske (U.S. Attorney for the Southern District of New York) will try to convince Judge Griesa either to agree to review of his order by the Court of Appeals, or to impose one of the other sanctions, such as admission of certain facts or partial or total default judgment, in order to get the case into a posture in which the government can appeal.

This case has received inordinate press attention because Boudin and, unfortunately, Judge Griesa have tried to cast the Attorney General's action as "defiance of the law." In fact, the Attorney General is trying to work within the law -- the Rules of Civil Procedure -- in order to get full appellate review of Judge Griesa's extraordinary order.



THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, D. C. 20410
June 16, 1978

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MEMORANDUM FOR: The President
Attention: Rick Hutcheson, Staff Secretary

SUBJECT: Weekly Report of Major Departmental Activities

HUD Launches Comprehensive National Communications Effort to Promote Graduated Payment Mortgages (GPM). More than eight million brochures are being printed for distribution to the public, mortgage lenders and real estate industry, telling home buyers, primarily the young, how they can buy homes with low monthly costs during the early years of their earning power. Under the GPM program, the homeowners' mortgage payments in the first few years of homeownership are lower than under conventional programs, and payments increase as the homeowner earns more money and can afford the higher payments. This initial promotion effort is part of a planned multi-media campaign that will include radio and TV public service announcements, and other information techniques to reach as wide an audience as possible.

HUD's Region IX, San Francisco, Studying Impact of Jarvis-Gann Initiative on HUD programs in California. HUD is preparing analyses on the Jarvis-Gann impact on its programs. Of immediate concern is the potential undermining of Congressional intent that the Community Development Block Grant program be accompanied by "maintenance of effort" under which each recipient community must show that citywide community development expenditures have remained substantially at the level which prevailed prior to CDBG funding. With ad valorem tax revenues severely curtailed as a result of Jarvis-Gann, there is concern that California municipalities will be hard-pressed to satisfy the "maintenance of effort" requirement. A meeting is scheduled for June 20 in Sacramento to hear from California State officials about Jarvis-Gann consequences.

HUD's Division of Consumer Complaints to Sponsor Inter-Agency Meeting. A meeting is scheduled for June 29 in HUD's Departmental Conference Room, to exchange ideas and discuss activities and problems concerning consumer complaint handling processes. Preliminary acceptances have been received from representatives of the White House, Commerce, HEW, FDA, Social Security Administration, Interior, Justice, State, DOT, CAB, Consumer Product Safety Commission, FTC, Federal Aviation Administration, SEC, DOE, EPA and SBA.

Chicago Takes Urban Initiatives. Chicago United, a consortium of leading Latino, Black and White business executives and professionals, and the Federal Regional Council have agreed to establish regular joint working sessions on urban problems. The first item on the agenda is housing rehabilitation, in which assistance of financial institutions active in Chicago United would be utilized.

Pat
Patricia Roberts Harris



DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON, D. C. 20250

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June 16, 1978

MEMORANDUM TO THE PRESIDENT

THROUGH Rick Hutcheson
Staff Secretary

SUBJECT: Weekly Report

BEEF. The cash price for cattle has dropped steadily over the last nine days, off a total of \$3-\$4 per hundred weight. Futures have dropped \$6-\$10. We are getting full blame and credit, more blame than credit, but the drop should be considered temporary.

A large percentage of heifers are being placed in feedlots rather than being used to build herds -- probably to gain cash -- and tighter beef supplies can be expected by winter.

ENERGY. The National Home Builders lost their suit against USDA's insulation standards for FmHA supported housing. FmHA has estimated it should mean a savings of 2 million barrels of crude oil annually.

A handwritten signature in black ink, appearing to read "Bob Bergland", with a large, stylized flourish at the end.

BOB BERGLAND

THE SECRETARY OF COMMERCE
WASHINGTON, D.C. 20230

June 16, 1978

"FYI"

REPORT TO THE PRESIDENT

I am becoming concerned about the tendency to propose the use of export controls for foreign policy purposes. Although withholding the benefits of our technology and industry can be appropriate in a limited number of cases, the decision to apply export controls is too often undertaken without a solid examination of their effectiveness and the consequences for the long-term influence of the United States. A key factor is our ability to affect the behavior of countries whose policies concern us. In many instances the only consequence of the imposition of our foreign policy trade controls is to transfer economic opportunities (including jobs) to countries who do not share our objectives. It is vitally important that this point of view be considered in the debate on the technology transfer PRM, the review of exporting oil production equipment to the Soviet Union, and the National Export Policy Task Force report.

Energy consumption and production projections by individual states for the years 1985 and 2000 have been compiled by the Department in connection with a DOI request. This document, which has been reviewed by DOE, forecasts likely energy production facility requirements by individual states and indicates the necessity for state-level solutions to many of the problems faced. This will be the first state-by-state forecast of energy production and consumption, which, I think, will shift some of the focus on energy policy to the state level.

Dollar savings continue to accrue from our centralized management of automatic data processing requirements and acquisitions. Recent computer acquisitions totaled \$22.4 million below the GSA pricing schedule. This improved record in ADP management is proving beneficial to our relations with Chairman Jack Brooks of the House Government Operations Committee.

Implementing long-term substantive reductions in the Department's spending levels for the 1980 budget has been discussed with my assistant secretaries and agency heads. I suggest that other Cabinet officers would benefit by detailed discussion at the agency level to begin systematically reducing both controllable and so-called uncontrollable costs. I suggest also that program items such as economic development are more logically viewed from a functional basis cutting across Departmental lines rather than on an individual Departmental basis.


Juanita M. Kreps



THE SECRETARY OF THE TREASURY
WASHINGTON 20220

June 16, 1978

MEMORANDUM FOR THE PRESIDENT

Subject: Highlights of Treasury Activities

1. NEW YORK CITY FINANCING

As I reported by telephone, the Senate Banking Committee yesterday voted out 12 to 3, \$1.5 billion of long-term loan guarantees for NYC securities. Although a number of restrictive amendments were added to the bill, none appears to be unworkable.

2. EPG ACTIVITIES

Next week, the Steering Committee will review the just-completed inter-agency economic forecast and will discuss Bob Strauss's organizational plans for the Anti-Inflation Program.

3. ZENITH CASE

Within the next two weeks, the Supreme Court is scheduled to rule on the Zenith case. We have no way to predict how they will decide it, but a loss might well require us to impose countervailing duties against border rebates of the value added and commodity taxes used by most of our trading partners. This would plunge us into a very major international economic crisis, with severe repercussions for the Bonn Summit and the MTN. Treasury has contingency planning well in hand, but none of the options avoids major strains with our trading partners and with the Congress.

4. TAX BILL

Congressman Jones is still actively promoting his compromise, which we oppose. It appears that he does not yet have the support of a majority of Democrats (13), which the Chairman requires before returning to mark-up. Congressman Fisher --

joined by Corman, Mikva and others -- is beginning to work on an alternative approach: a straight extension combined with a \$15 billion tax cut, and nothing else. Supporters of this approach believe its potential for success is a function of Jones' effort failing. We are monitoring the situation closely.

5. THE DOLLAR

The yen appreciated by more than 2% against the dollar to new record highs this week, but did not pull other major currencies along. The dollar displayed overall strength in the market and appreciated slightly against the German mark and Swiss franc. Official intervention by major countries was modest. The Treasury and Federal Reserve continued to purchase German marks to finance swap repayments to the Bundesbank.



Robert Carswell
Acting Secretary



Department of Energy
Washington, D.C. 20585

June 16, 1978

MEMORANDUM FOR:

THE PRESIDENT

FROM:

JIM SCHLESINGER JS

SUBJECT:

Weekly Activity Report --
Week of June 12 - June 18, 1978

1. National Energy Act. Progress continues in negotiations over the Crude Oil Equalization tax and a package of producer incentives. During the week, I have talked with Russell Long and Al Ullman, who are eager to move on COET, while acknowledging the difficulties in passing COET on the floor of both Houses, particularly in the wake of Proposition 13. In addition, John Dingell is now positively involved in the negotiation process, and there is room for optimism that a formula can be found that will combine COET, a rebate formula and a producer incentive package that will be acceptable to the key parties. Therefore, over the next two to three weeks, I look for significant movement on COET. Leaders on the Hill have indicated their view that your personal involvement in the COET fight will be important, and the upcoming Economic Summit makes such involvement all the more necessary.

2. Regulatory Actions. On Thursday, I announced Departmental regulatory changes affecting both California crude and residual oil and New England residual oil imports. Present at the press briefing (which was held in the White House press room) were Congressman Mark Hannaford and Controller of the State of California Ken Cory. Both were strong in their praise of the Administration's actions, and Cory's statements should lay to rest, at least temporarily, criticism from the state government in California regarding the Administration's actions in this area.



THE SECRETARY OF TRANSPORTATION

WASHINGTON, D.C. 20590

June 16, 1978

MEMORANDUM FOR THE PRESIDENT

ATTENTION: Rick Hatcheson, Staff Secretary

FROM : Brock Adams

SUBJECT : Significant Issues Pending at the Department of Transportation

ConRail - The management of ConRail is aware of your instructions to me of June 1 on improving ConRail's operations. This week I met with Ed Jordan, President of ConRail, and Don Cole, President of United States Railway Association (the financing entity for ConRail) on this matter. In addition, Jack Sullivan, Federal Railroad Administrator, and his staff have been instructed to work on a new monitoring system for ConRail.

Restructure of Midwest Railroads - On June 15 I publicly announced the first of the new structure agreements on the Midwest Railroads and the status of Federally-assisted rehabilitation work.

Branchline Bill - On June 15 I testified in support of S. 2981, the "Railroad Amendments Act of 1978," the Administration bill which would change the existing local rail services assistance program. Existing law simply subsidizes the continuation of uneconomic and abandoned branchlines, while our proposal would provide assistance to rehabilitate deteriorating but economic lines while they are still in the private sector. While there are disagreements among the states, the rail industry, and labor as to specific provisions of our bill, there is unanimous support for its basic thrust. I believe we can negotiate its passage in a form which is acceptable.

New Boston-Amsterdam Low-Fare Airline Service - When Prime Minister Callaghan did not accept your request to consider an extension of air service between Boston and London by both Pan Am and TWA, Pan Am was faced with a shutdown of its Boston-London operation on June 15. To maintain their service out of Boston, Pan Am developed an innovative low-fare experimental Boston-Amsterdam service. I encouraged them to announce this service on June 13 for start-up on June 15. The recently signed bilateral aviation agreement between the U.S. and the Netherlands, which you supported, permits Pan Am to apply for the discount fare. Pan Am did file and the CAB granted the request on the same day - June 13. The fare will be \$149 round-trip for a 30-day introductory period and then will go to \$279 on July 15.

The Dutch are under great political pressure from other European nations to reject these low fares because they undercut other U.S.-European air fares. After coordination with the State Department, I talked with the Dutch Secretary of State for Transport. Late Thursday I received word from the Dutch that they have approved the Pan Am flights. However, they want assurance

that Pan Am will live up to its plan to operate these flights for the entire summer. They have also asked that if the U.S. moves to a more liberal aviation entry policy with the Germans, the Dutch want the same treatment.

DOT-EPA Memorandum of Understanding - Doug Costle and I signed a Memorandum of Understanding this week to integrate EPA's transportation-related air quality planning programs into the DOT planning process, as you had requested. At the same time, we issued joint planning guidelines to metropolitan planning organizations which will carry out the transportation-related air quality planning and programming process at the local level. These two documents and other cooperative efforts our two agencies have undertaken in this field will simplify the difficult task facing state and local agencies in meeting the goals of the Clean Air Act while at the same time providing adequate and improved transportation.

Concorde/SST Rules - The final SST Noise Rules will be sent to the Federal Register on June 26. They will be available for public inspection on June 27, published on June 29, and will become effective 30 days after publication. The rules require all SSTs to comply with the noise limits that were originally applied to subsonic airplanes. The rules also limit the SST flight times to between 7 a.m. and 10 p.m.; prohibit SSTs from being modified in a manner that makes them louder; and prohibit SSTs that are outside the U.S. from causing sonic booms in the U.S. when flying to or from U.S. airports. The British have informally indicated they would like to increase the authorized weight limit for the Concorde from 400,000 to 408,000 lbs., presumably in order to carry either more passengers or more fuel. The problem is that the 8,000 additional pounds would add about 10% to the noise contour of the plane on takeoff. The EIS analysis assumed a 400,000 lb. limit. To make a change in this analysis now to allow for a heavier airplane would require many months of delay, which is not acceptable. Therefore, we have worked out a response which sticks firmly to the 400,000 lb. limit.



THE SECRETARY OF DEFENSE
WASHINGTON, D.C. 20301

June 16, 1978

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Significant Actions, Secretary and Deputy Secretary of Defense
(June 10-16, 1978)

Defense Appropriations Bill: I understand that George Mahon's Defense Appropriations Subcommittee will send to the full committee an appropriation which totals \$200 to 300 million more than our budget request. Since they included within this amount a nuclear carrier, we can expect substantial cuts in other programs. The full committee is expected to take up the bill on July 13. George agrees that early in that week would be a good time for you to discuss naval shipbuilding and the carrier with the Armed Services and Defense Appropriations Committees. The subcommittee was for the CVN by 7 to 6. I believe we have a real chance to delete it in the full committee, by working hard on fifteen or twenty of its members; we are accumulating names and information to that end.

Cruise Missile Test: Next Wednesday I shall observe a cruise missile test at White Sands. There will be considerable press coverage. I hope this will begin to emphasize our positive initiatives on defense. I shall also spend some time in public activities together with Representative Leon Panetta in California before joining you at Fort Hood.

Navy Claims: Comments from House staff members so far are that the prospects are good for Congressional acquiescence in our settlement with General Dynamics. We expect a hearing late in July, support from Representatives Bennett and Stratton, and a favorable response by the House Armed Services Committee.

Address to Business Roundtable: Monday evening I spoke in New York to the Business Roundtable, a group of chief executives of major corporations. My talk particularly emphasized the need for economy in defense (as by closing unneeded bases) and for your civil service reform package.

Trendex Survey: At the Business Roundtable dinner Reg Jones, Chairman of General Electric, mentioned that a new Trendex consumer survey taken for his company showed a continued rising concern about the U.S. defense posture and support for defense expenditures.

Foreign Perceptions of U.S. Security Policy: At the Business Roundtable, George Shultz, former Secretary of the Treasury and OMB Director, mentioned to me expressions of concern about U.S. resolve by officials and business leaders in Japan, the Far East, and the Middle East whom he had seen during the past three weeks. Though these comments preceded your Annapolis address, they underscore the need for continuing attention to perceptions about our national security posture.

Civil Service Reform: Charles and I met with Scotty Campbell and the other CSC members yesterday to discuss further ways we can assist on the civil service reform legislation.

Chowder and Marching Society Meeting: I spoke at a breakfast meeting of about twenty senior House Republicans on Wednesday -- they included John Rhodes and most of the Republican leadership. I spent considerable time on the embargo of arms to Turkey. I believe most of the group agree with us on the merits, but many have reservations from the domestic political viewpoint. In particular, they are joining in the rather partisan question Representative Wydler asked you on Thursday morning -- "Why should I support the President in a move that will draw fire from an interest group when all three top Democratic House leaders oppose him on it?"

Military Drug Abuse: I have asked Charles Duncan to review the Service programs on drug and alcohol abuse. As a result he has directed a number of new initiatives, including, for example, increased monitoring in the major commands, increased staff, improved information-gathering systems, and the testing of new, portable urinalysis kits.

Trilateral Commission Luncheon: I spoke about the military balance at the luncheon of the Trilateral Commission on Tuesday.

Nuclear Carrier Briefing: I understand that Speaker O'Neill mentioned to members of your staff that someone from DoD had briefed him in support of a CVN. The Speaker's office has refused to tell who presented such a briefing. My tentative conclusion from that and other indications is that it was presented either by a contractor or by an unofficial lobbying group (perhaps through a retired officer) -- not by a Defense official. I am continuing to look into this matter and have asked Frank Moore to help dig up any more facts. You may be assured that I shall take strong appropriate action if I find any DoD officials engaged in such activities.

Veto Recommendation: I urge that you veto H.R. 3161, a bill which would set new work rules for federally employed firefighters (most of whom are employed by the Department of Defense). The result would be to cut hours, add premium pay, force DoD to hire 4,500 more unneeded employees, give them preferential treatment over ordinary firefighters, and add \$52.6 million in added salary costs to DoD alone (plus more for other federal agencies). This is a piece of unjustifiable special-interest legislation which flies in the face of your anti-inflation campaign.

Harold Brown

Community WASHINGTON, D.C. 20506
Services Administration



18 JUN 1978

MEMORANDUM TO THE PRESIDENT

Attention: Rick Hutcheson, Staff Secretary

FROM: Graciela (Grace) Olivarez
Director

SUBJECT: Weekly Report of Significant Agency Activities
(June 12 - 16, 1978)

The Zavala Case

On June 12, 1978, a two-day trial started in the case of Zavala County Economic Development Corporation v. Graciela Olivarez. The Zavala County Economic Development Corporation sued CSA last December for failure to approve an agri-business venture proposal, alleging CSA's decision was arbitrary and capricious, and was based on personal animosity or on instructions or advice from the White House. At the trial on Monday, depositions of White House personnel were introduced into the record but the witnesses were not called. The Director of CSA testified that she refused to approve the venture for programmatic reasons, not for political and personal bias. The Judge found her testimony entirely credible and held that there was no evidence of political or personal bias affecting the decision of the Director. He issued a bench opinion in favor of CSA.

Corporation of Youth Enterprises

We have launched a new program initiative that involves the expertise and resources of the Office of Economic Development with those of OMBE in the of Labor. This project will support a two-year demonstration that will be undertaken by the newly created Corporation of Youth Enterprises (CYE). The CYE, under the leadership of national business leaders and other representatives of the private sector who are serving on its board, will develop youth managed and staffed business enterprises in selected special impact communities. CSA/OED has pledged \$2 million to this effort which will be combined with \$3 million in support from Labor and \$1 million from OMBE for the conduct of the project. CYE will be carefully and systematically assessed and evaluated to ascertain its potential replicability as a private sector initiative which could provide permanent job opportunities for disadvantaged youth. This unique partnership between federal agencies and the CYE in the development of a private sector program can make a significant contribution to our knowledge about the coordination of manpower and development resources.

U. S. DEPARTMENT OF LABOR

OFFICE OF THE SECRETARY

WASHINGTON

June 16, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: SECRETARY OF LABOR, Ray Marshall *ray*

SUBJECT: Major Departmental Activities, June 10-16

Civil service reform. This week I talked with Clarence Mitchell of the NAACP and representatives of the AFL-CIO and won their support for our proposals on veterans' preference. I have also been talking with Congressman Bill Ford about collective bargaining in the Federal sector. I made clear that we are not willing to go further than codifying the existing Executive Order, but Ford feels that something more is needed to get the bill out of committee.

Cotton dust standard to be announced Monday. The current plan is for Charlie Schultze and I to announce the standard in a joint press conference. I am pleased with the final standard and believe this announcement will do much to allay the fears of labor, the Brown Lung Association and industry. I do, however, have several concerns about the process that led to this final standard. The deliberations within the Administration were outside the normal regulatory review process. As a result, the process was not an orderly one. I think it is important for the Administration to develop a more reasoned and systematic approach to future issues like this.

Progress on setting up White House Commission on the Coal Industry. I have met with Jay Rockefeller, Willard Wirtz and Jim Schlesinger to make plans for the Commission. We are working to appoint the final members of the Commission and to select the staff. The Commission will hold its first formal meeting in September and its final report will be issued a year from then. Key issues

will be ways to create a stable industrial relations system in industry, improving state and Federal regulations and implications of technological change.

Efforts to resolve controversy over 10- and 11-year olds picking crops like strawberries. As I reported to you two weeks ago, the Pacific Northwest Congressional delegation is upset with our failure to issue exemptions to the Fair Labor Standards Act to allow children of this age to pick strawberries. The key issue is whether there is danger to children of this age from pesticides used on these crops. The Environmental Protection Agency had no information on this matter, which handicaps us since the law requires that we have objective evidence of the safety of the pesticides. My plans are to form a panel of experts to judge this safety issue. The necessary regulations should be issued next week.



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

June 16, 1978

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THE ADMINISTRATOR

MEMORANDUM FOR THE PRESIDENT

SUBJECT: WEEKLY STATUS REPORT

In the past week we announced three major decisions regarding air pollution control. These decisions have significant air quality and economic implications, and each was closely constrained by the provisions of the Clean Air Act.

Oxidant Standards: EPA proposed raising the national standard 25 percent to 0.10 parts per million. Oxidants are significant in that they are a key ingredient of smog and, at high enough concentrations, result in upper respiratory illnesses affecting older people and asthmatics. The new standard was based upon public health considerations and allowed for what we believe is a practical, realistic margin of safety. We are seeking public comments on this regulation.

Prevention of Significant Deterioration (PSD): This is a final regulation to protect air quality in areas currently cleaner than required by national standards. The PSD program will be administered by EPA until March 1979 when the States are scheduled to assume responsibility for implementation. The regulation is statutorily mandated and has been extensively reviewed both internally and publicly. Charlie Schultze and his staff have provided useful guidance, and we adopted many of CEA's suggestions.

Colstrip: EPA denied a construction permit for the Montana Power Company, Units 3 and 4. The Colstrip decision was made under the old Clean Air Act. A very careful review of the facts demonstrated that the additional units would clearly exceed the air pollution limits on the Northern Cheyenne Indian Reservation. However, the company could reapply under the new Clean Air Act and by proposing better pollution controls may be able to receive a permit. (To date, we have approved 58 power plant boilers in other areas of the country, with Colstrip being the first turndown.)

We expect to be criticized by industry primarily on the proposed oxidant standard and the Colstrip decision. (Industry does not like the PSD program, but it recognizes that it is a clear statutorily mandated program.) The petroleum firms are most concerned about the oxidant standard and believe that it should be relaxed up to 0.20 parts per million. The environmentalists will oppose the change in the oxidant standard, but should be reasonably satisfied with the PSD regulations.

I hope that you have seen the regulatory reform report we promised in our last status report. At Rick Hutcheson's suggestion, we sent it over earlier this week.

A handwritten signature in cursive script, appearing to read "Barbara", with a long, sweeping horizontal line extending to the right.

Barbara Blum
Deputy Administrator



VETERANS ADMINISTRATION
OFFICE OF THE ADMINISTRATOR OF VETERANS AFFAIRS
WASHINGTON, D.C. 20420
June 15, 1978

TO : The President
THRU : Rick Hutcheson, Staff Secretary
FROM : Administrator of Veterans Affairs

VA Presidential Update

Veterans Unemployment - Unemployment rate for all male Vietnam era veterans under age 35 dipped to 4.0% in May, according to DOL figures. This was the lowest rate since a 3.9% tally in November 1973. The 4.0% rate was well below the 6.1% national rate and the 5.9% rate for male non-veterans under 35, and nearly halved the 7.5% rate for veterans of exactly one year ago. The most startling drop was registered for the youngest veterans, ages 20 to 24. The unemployment rate for this group was 6.9% in May . . . down 3.8% from the previous month. The 6.9% figure was the lowest for these younger veterans since January 1970, and was exactly one-half the 13.8% figure of just a year ago. For the first time since February 1972, the rate for 20 to 24 year old veterans was less than the unemployment rate for male non-veterans in the same age bracket. Total veterans in the age 20 to 24 labor force has dropped from 917,000 a year ago to the present figure of 681,000.

Veterans Preference - Chairman Ray Roberts and Rep. John Paul Hammerschmidt, ranking minority member of the HVAC, have gone on record in favor of striking all references to veterans preference from your Civil Service reform measure. The joint stand was stated in a letter to Rep. James Hanley of the House Post Office and Civil Service Committee.

G.I. Bill Overpayments - The trend is down. Overpayments outstanding at the end of F.Y. 1977 totaled \$439 million. As of 4/30/78 the figure was \$393 million. Newly established overpayments averaged \$50 million per month in F.Y. 1977. So far this F.Y., the average has been \$33.6 million. The improvement is due to remedial legislation governing allowance payments, and also to much more aggressive VA efforts to prevent and collect overpayments.

Solar Energy - VA is deep into this form of conservation. A solar energy bank is now in operation at the Wilmington, Del., VA Center to heat and cool a 60 bed nursing care unit. Eight other hospital solar energy systems are now under construction, and about 40 more are in various stages of analysis or design.



United States
Environmental Protection Agency
Washington, D.C. 20460

June 14, 1978

C
The Administrator

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Internal EPA Reforms

Last week I described to you actions we are taking to reduce the administrative burdens of our regulations on the public. These are being matched by a substantial effort within EPA to ensure that our programs are coordinated, that they impose no greater burden than necessary, and that we thoroughly understand their potential economic impacts.

Prior to beginning work on any significant new regulation, a Regulatory Development Plan has to be prepared for and approved by me. Each plan must contain analyses of:

- o What real problem the regulation would attempt to address.
- o The potential of alternative approaches (including economic incentives) to deal with the problem.
- o What economic analyses will be undertaken during the development of the regulation.
- o How coordination will be carried out within EPA and with other regulatory agencies (e.g., OSHA, FDA, CPSC) during the development of the regulation.
- o The respective roles of federal, state and local government in following through on the regulation, if promulgated.

Once a Regulatory Development Plan is approved, the preparation of the regulation is coordinated and reviewed at three levels:

- o A special staff work group is established to work with the program office primarily responsible for preparing the rule in order to ensure coordination with the rest of EPA and other Federal and state agencies.

- o Our Regulatory Steering Committee, which serves as the single control check point on all regulations and standards, must clear the proposed rule before it enters the final review process. This Committee ensures that the Administration's priorities are being observed, that regulations are written clearly and concisely, and that all necessary analyses have been properly completed (including economic, environmental, urban, state and local government, and Federal budget impact analyses).
- o Every Assistant Administrator must concur or comment on the regulation before I sign it.

EPA has been accused in the past of lacking a coherent, articulated set of priorities--in part, the result of having to play "catch-up" with rapidly revised and expanding legislative mandates. I hope that we are now entering a period of quiescence when we can consolidate our activities and establish a stable set of priorities. We are attempting to deal directly with the issue of priorities through our Zero-Base-Budget analysis and the preparation of a long term regulatory calendar.

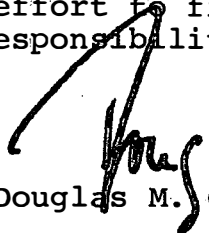
We have also initiated several reforms to ensure that both existing and new regulations are accomplishing their goals in an efficient manner:

- o We are evaluating the cost effectiveness (e.g., dollars of expenditures per pound of pollutant removed) of each new regulation and comparing its cost effectiveness with existing regulations.
- o We are reviewing the cost effectiveness of our 1984 water pollution control requirements to ensure that, with respect to nontoxic pollutants, they are reasonable and consistent for different industries and municipalities. We expect to relax requirements in a number of industries where the current requirements are not cost-effective.
- o We have begun a complete review of all major existing regulations to determine whether they are necessary, cost-effective, enforceable, being complied with, and clearly written. This effort will require substantial Agency resources, but I think the results will be worth it.

Finally, because of the concern about the potential economic impact of EPA regulations, we have made special efforts to improve our economic analyses. These include:

- o Involving economists in the preparation of the regulations from the beginning of the process rather than undertaking pro forma analyses after the regulations are completed.
- o For the most seriously impacted industries, undertaking special studies analyzing the aggregate economic impact of our various regulatory programs (and selected other governmental programs where the necessary information is available). Such studies are completed for steel, copper, paper, electrical utilities, and petroleum refining, and are being undertaken for the automobile, chemical, foundry, pollution control equipment, and construction industries, and for municipalities.
- o Undertaking, with CEQ, periodic analyses of the macro-economic impacts of all our programs. We expect the results of this year's analysis (using Commerce's estimates of actual abatement expenditures) within two months.

Next week, I will advise you of some of the substantive new ideas we are working on in an effort to find more efficient ways to carry out our regulatory responsibilities.



Douglas M. Costle

THE WHITE HOUSE
WASHINGTON

June 19, 1978

Ambassador Strauss

The attached was returned in the President's outbox today and is forwarded to you for appropriate handling.

Rick Hutcheson

THE SPECIAL REPRESENTATIVE FOR
TRADE NEGOTIATIONS

WASHINGTON
20506

Bob
J

June 16, 1978

MEMORANDUM FOR THE PRESIDENT

From: Ambassador Robert S. Strauss

RS

Subject: Weekly Summary

While there remain major shortcomings on many fronts, we are making substantial progress in the multilateral trade negotiations (MTN). The Australians have, for the first in their history, decided to cut industrial tariffs across the board, conditioned on increased market access they can get for their agricultural products. The Japanese have now tabled extensive improvements in both their industrial and agricultural offers, although we still need a good deal more from them. We are making some progress with the Mexicans and Brazilians in reducing their trade barriers.

The EC, while talking progress, continues to play a delaying game because of their many internal problems, although they are slowly coming along. This next week, I am meeting with EC Vice President Haferkamp, Minister Ushiba of Japan, and Jake Warren of Canada, to try to structure a political settlement with the major MTN participants before the Bonn Summit. It is just barely possible that we will succeed, although there are many areas in which we have to accomplish much more, particularly in agriculture and subsidies, and this will be difficult. As you go into planning for the Bonn Summit, it might be useful for Alan Wolff and I to come in and give you a ten-minute briefing on the MTN.

ok

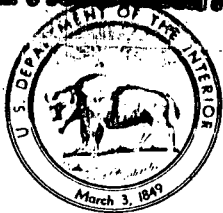
The inflation program is slowly developing a measure of credibility. While you were meeting with Shapiro and others from the Roundtable this week, Rafshoon, Kling and I met with some of the other members. We will get meaningful assistance from this group. They, more than most, realize the substantive progress represented to date by the indicated restraints from the auto industry, the aluminum industry, and the steel industry. It seems to me that we are attempting to do about all that can be done on the short-term problem and I hope through the EPG that we can begin to concentrate more time on the underlying causes. The railroad settlement will be highly inflationary.

Hopefully, the postal settlement later in the year will be considerably better. The big labor negotiations, of course, take place in '79.

The Texas trip looks good -- the dinner successful, the stops well chosen.

THE WHITE HOUSE
WASHINGTON

Secretary Andrus was
sent a copy of the attached.



THE SECRETARY OF THE INTERIOR
WASHINGTON

June 16, 1978

MEMORANDUM TO THE PRESIDENT

From: Secretary of the Interior

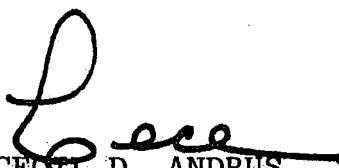
Subject: Major Topics for the Week of June 12

The Water Policy Review has met with mixed, but basically positive reaction. We are moving for early implementation.

I'm still not sure what our position is on the Narrows Dam, but Stu and I will get together and try and work out a logical posture even though it is a little late. I would suggest that if we are going to change signals that we wait and do it in the Senate. Any move in the House will hurt us.

My recommendations on the Public Works Bill will come after final passage, but if the Senate doesn't listen to reason we will have to get their attention with a veto.

The tuna will be running off the Virginia coast within two weeks. If you want to catch a 40-60 pound fish on sport tackle, we can leave in the morning and be back by early evening.


CECIL D. ANDRUS

Cecil:
The last item
is very important
to me. Let's
move on
it.

J.C.

FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
Cabinet Summaries	Andrew Young to Pres. Carter, 1 pg., re:UN activities	6/16/78	A
Memo	Frank Moore to Pres. Carter, w/attachments 20 pp., re:Weekly Legislative Reports	6/17/78	A

FILE LOCATION

Carter Presidential Papers-Staff Offices, Office of the Staff Sec.-Presidential
Handwriting File 6/19/78 [1] Box 91

RESTRICTION CODES

- (A) Closed by Executive Order 12356 governing access to national security information.
 (B) Closed by statute or by the agency which originated the document.
 (C) Closed in accordance with restrictions contained in the donor's deed of gift.

EXECUTIVE OFFICE OF THE PRESIDENT
COUNCIL ON ENVIRONMENTAL QUALITY
722 JACKSON PLACE, N. W.
WASHINGTON, D. C. 20006

June 16, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: Charles Warren
Gus Speth

Charles

SUBJECT: Weekly Status Report

Tellico Dam/Snail Darter Case: This week's Supreme Court decision construing the Endangered Species Act as applied to TVA's Tellico Dam Project and the snail darter is being viewed by the press and some members of Congress as meaning that the project will not be completed unless Congress amends the Act. This is not necessarily true, because Administration action is underway that could resolve the issue

Secretary Andrus and TVA Chairman Freeman have consulted this morning on the best way to accomplish the objectives of protecting the snail darter and making the best possible use of the \$100 million already invested in the project. The consultation is proper under the Act and is in conformity with over 5,000 consultations which have successfully resolved other disputes.

Meanwhile, we understand Congress is considering legislative means for reversing the Court decision. White House legislative liaison should keep closely informed of actions to ensure effective representation of the Administration's position that the Endangered Species Act consultation process should be permitted to resolve the dispute.

Finally, legislation is pending before Congress to amend the Endangered Species Act. As you know, you have told environmentalists that you oppose amending the Endangered Species Act. The Senate Committee on Public Works and Environment has reported a bill to amend the Act. I spoke to Congressman Leggett who has jurisdiction over the Act on the House side and he told me that he does not favor the Senate amendment although he is considering another approach.

THE SPECIAL REPRESENTATIVE FOR
TRADE NEGOTIATIONS

WASHINGTON
20506

C
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June 23, 1978

MEMORANDUM FOR THE PRESIDENT

From: Ambassador Robert S. Strauss

Subject: Weekly Summary

We have had a hard three days of negotiations with the EC, the Japanese and the Canadians. Slowly, but probably almost surely, we keep moving towards an eventual agreement. I spent four hours with the Senate Finance Committee going over the various problems and it is obviously going to be tremendously difficult to get through Congress any available package. My judgement is we will have enough in hand by the Summit to show some substantial delivery on the Downing Street Communique. What we are trying to do is keep the Hill briefed on a step-by-step basis without excessive detail so the support of people like Long, Ribicoff, Talmadge, Vanik, and so forth, will be there when we need it.

On the inflation front, we received an endorsement from the Business Roundtable yesterday and I am trying for the U.S. Chamber this morning before leaving for Texas with you. We are also trying to implement our overall work plan with the involvement of a number of people from the White House, particularly Rafshoon and Butler. I would love to see you announce a six-months Federal hiring freeze. It would be good for the fight against inflation, give the program the credibility it desperately needs, and be a tremendous political plus in my judgement. I know there is some downside, but I think the up-side far outweighs the negative. I hope to find out what McIntyre thinks before I leave.

With respect to your sugar meeting, as an observer, I thought it went well. I think we must keep in mind constantly one thing -- that this is a political -- not an agricultural matter.

Community WASHINGTON, D.C. 20506
Services Administration



C
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MEMORANDUM TO THE PRESIDENT

Attention: Rick Hutcheson, Staff Secretary

FROM: Graciela (Grace) Olivarez
Director

SUBJECT: Weekly Report of Significant Agency Activities
(June 19-23, 1978)

SPAARS Project

CSA has made two grants totalling \$362,000 to fund the final demonstration phase of the SPAARS (Single Purpose Application with Automatic Referral System) Project. Of this, \$110,000 is to go to the Colorado Office of Human Resources and \$252,000 to the South Dakota State Office of Economic Opportunity. The program, which was started by OEO in 1974 to cover many federal social service programs in Colorado, Montana, North and South Dakota, Utah and Wyoming, has indicated that at least \$2 billion could be saved annually if the program was used in all states. About 70 percent of the client information collected was found to be common to all federal programs examined; the remaining specific program information could be given common treatment on a single form if legal requirements were changed.

Unemployed to Install Solar Heating Systems for Poor

CSA, together with DOE and DOL, have agreed to initiate a \$3 million program to train unemployed workers to install solar heating systems in about 1,000 low-income homes. CSA is to pick which homes are to receive the equipment and, together with DOE, will provide solar water heaters and space heating systems. DOE also will provide funds for equipment and materials used in training the workers. DOL funds will flow through government agencies running CETA programs and will be used to pay the wages of participants.

500 Acres in South Bronx To Be Reclaimed

The Bronx Frontier Development Corporation (BFDC), a CSA grantee, opened a compost operation today to produce humus needed to reclaim about 500 acres of the South Bronx. Once reclaimed, the land is to be used for an urban agriculture project, with an estimated yield of vegetables for at least 40 community groups.